

Full Council

Thursday, 26 February, 2015 in the Council Chamber, County Hall, Preston.
Question Time will begin at 1.30pm. Full Council will begin at the conclusion of Question Time or 2.00pm whichever is earlier.

Agenda

Index

1. **Apologies and Announcements**
2. **Disclosure of Pecuniary and Non-Pecuniary Interests**
- A. Matters for Decision**
 3. **Confirmation of Minutes from meeting held on 18 December (Special Meeting) and 18 December (Ordinary Meeting)**
(Pages 1 - 12)
 4. **Appointment of Section 151 Officer** (Pages 13 - 14)
 5. **The Localism Act 2011 - Pay Policy Statement 2015/16**
(Pages 15 - 46)
 6. **Members Allowance Scheme 2015/16** (Pages 47 - 60)
 7. **Financial Threshold for Key Decisions 2015/16**
(Pages 61 - 62)
 8. **Appointment of Chair and Deputy Chair - Audit and Governance Committee** (Pages 63 - 64)
- B. Matters for Information**
 9. **Report of the Cabinet (Part B)** (Pages 65 - 68)
 10. **Report of Urgent Key Decisions** (Pages 69 - 72)

11. **Report of County Council Committees**

To receive reports from:

(a) **The Overview and Scrutiny Committees**
(Pages 73 - 78)

(b) **Audit and Governance Committee** (Pages 79 - 84)

12. **Report of the Combined Fire Authority** (Pages 85 - 90)

C. Notice of Motion

To consider any Notices of Motion submitted under Standing Order No. 14.2.1.

Jo Turton
Chief Executive

County Hall
Preston

24 February 2015

Agenda Item 3

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston, on Thursday, 18 December, 2014

Present:

County Councillor Kevin Ellard (Chair)

County Councillors

M Brindle	J Gibson	M Parkinson
A Ali	G Gooch	N Penney
A Atkinson	M Green	S Perkins
A Barnes	J Hanson	C Pritchard
M Barron	Dr M Hassan	S Prynne
L Beavers	P Hayhurst	P Rigby
D Borrow	C Henig	K Sedgewick
P Britcliffe	N Hennessy	S Serridge
I Brown	S Holgate	J Shedwick
K Brown	D Howarth	R Shewan
T Brown	K Iddon	D T Smith
Mrs S Charles	M Iqbal	K Snape
A Cheetham	A James	D Stansfield
A Clempson	M Johnstone	V Taylor
D Clifford	A Jones	M Tomlinson
Mrs F Craig-Wilson	D Lord	C Wakeford
C Crompton	T Martin	D Watts
M Dad	J Mein	D Westley
B Dawson	Y Motala	D Whipp
F De Molfetta	R Newman-Thompson	G Wilkins
C Dereli	D O'Toole	B Winlow
M Devaney	Mrs L Oades	B Yates
G Driver	J Oakes	
J Fillis	M Otter	

1. Apologies and Announcements

Apologies for absence were presented on behalf of County Councillors Tim Ashton, Terry Burns, Gina Dowding, Andrea Kay, Jim Lawrenson, Gareth Molineux, Mark Perks, Alan Schofield, Jeff Sumner and Paul White.

The Chairman reported that former County Councillor Mrs Shelagh Derwent was unable to attend the ceremony, but was delighted to be nominated in her absence.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

None disclosed.

3. Appointment of Honorary Aldermen

It was moved by County Councillor Jennifer Mein and seconded by County Councillor Geoff Driver:

That, having regard to the eminent services rendered to Lancashire County Council over a long period by former County Councillors Jean Battle Pat Case, Chris Cheetham, Shelagh Derwent, Hazel Harding, Chris Holtom, Margaret Livesey, Geoff Roper, Tom Sharratt, Dorothy Westell and Keith Young the County Council confer on them the title of Honorary Alderman of the County Council.

The Motion was then supported by County Councillor Bill Winlow and other Members of the County Council. Upon being put to the vote, the Motion was carried.

Resolved: That, having regard to the eminent services rendered to Lancashire County Council over a long period by former County Councillors Jean Battle, Pat Case, Chris Cheetham, Shelagh Derwent, Hazel Harding, Chris Holtom, Margaret Livesey, Geoff Roper, Tom Sharratt, Dorothy Westell and Keith Young, the County Council confer on them the title of Honorary Alderman of the County Council.

The Chairman of the County Council then presented certificates to Aldermen Jean Battle, Pat Case, Chris Cheetham, Hazel Harding, Chris Holtom, Margaret Livesey, Geoff Roper, Tom Sharratt, Dorothy Westell and Keith Young who each thanked the Members of the County Council for the honour bestowed upon them.

A certificate would be posted to Mrs Derwent.

Jo Turton
Chief Executive

County Hall
Preston

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston,
on Thursday, 18 December, 2014

Present:

County Councillor Kevin Ellard (Chair)

County Councillors

M Brindle	G Driver	M Parkinson
T Aldridge	J Fillis	N Penney
A Ali	J Gibson	S Perkins
T Ashton	G Gooch	M Perks
A Atkinson	M Green	C Pritchard
A Barnes	J Hanson	S Pryn
M Barron	Dr M Hassan	P Rigby
L Beavers	P Hayhurst	K Sedgewick
D Borrow	C Henig	S Serridge
P Britcliffe	N Hennessy	J Shedwick
I Brown	S Holgate	R Shewan
K Brown	D Howarth	D T Smith
T Brown	K Iddon	K Snape
P Buckley	M Iqbal	D Stansfield
Mrs S Charles	A James	J Sumner
A Cheetham	M Johnstone	V Taylor
A Clempson	A Jones	M Tomlinson
D Clifford	D Lord	C Wakeford
Mrs F Craig-Wilson	T Martin	D Watts
C Crompton	J Mein	D Westley
M Dad	Y Motala	D Whipp
B Dawson	R Newman-Thompson	G Wilkins
F De Molfetta	D O'Toole	B Winlow
C Dereli	Mrs L Oades	B Yates
M Devaney	J Oakes	
G Dowding	M Otter	

1. Apologies and Announcements

Apologies for absence were presented on behalf of County Councillors Terry Burns, Andrea Kay, Jim Lawrenson, Gareth Molineux, Bev Murray, Alan Schofield and Paul White.

Death

The Chairman reported the sad death of former County Councillor Arif Umerji who represented the Blackburn Bank Top & Brookhouse Division from 1993 to 1998.

He referred also to the very recent mass murder in Peshawar, Pakistan of over 130 school children, the death of hostages in Sydney, Australia and the many other acts of terrorism over the last year, across the world, in which people had lost their lives.

The council stood in silent tribute.

2. The Resolution of the Conduct Committee 26 November 2014 - County Councillor G Driver

County Councillor Geoff Driver CBE had been instructed by the Conduct Committee to make a formal apology to County Councillor Jennifer Mein in terms specified by the Committee. County Councillor Driver indicated that he was not prepared to apologise.

3. Disclosure of Pecuniary and Non-Pecuniary Interests

None disclosed.

4. Confirmation of Minutes from meeting held 2 October 2014

Resolved: That the Minutes of the meeting of the County Council held on the 2 October 2014 be confirmed and signed by the Chair.

5. Report of the Cabinet (Part A)

Update on the Implementation of the Living Wage

The Cabinet had considered at its meeting on 4 December 2014 a report which provided an update on the implementation of the Living Wage and recommended that Full Council approve the annual uplift of the Living Wage for centrally employed staff, to be applied from 1 April 2015.

Resolved: That the annual uplift of the Living Wage for centrally employed staff be approved and that it be applied from 1 April 2015.

Lancashire Community Safety Agreement 2014/16

The Cabinet had considered at its meeting on 4 December 2014 a report setting out details of the Lancashire Community Safety Agreement 2014/16 and agreed to recommend it to the Full Council for approval.

Resolved: That,

- i. The Community Safety Agreement 2014/16 as set out at Appendix A to the report now presented be approved;
- ii. Authority be delegated to the Cabinet Member for Adult and Community Services to make any subsequent amendments to the Community Safety Agreement; and
- iii. The appointment of the members of the Lancashire Chief Executives Group, as members of the County Strategy Group, be approved.

6. The Localism Act 2011 – Updated Pay Policy Statement 2014/15

The report now presented set out at Appendix A the proposed updated 2014/15 Pay Policy statement as required by the Localism Act 2011.

Resolved: That the 2014/15 Updated Pay Policy Statement, as set out at Appendix A to the report now presented, be approved.

7. Establishment of the Lancashire Pension Board

The report set out proposals for the establishment of the Lancashire Pension Board as required by the Local Government Pension Scheme (Amendment) Regulations 2014.

Resolved: That,

- i. The proposals for the establishment of the Lancashire Pension Board, as set out at Annex 1 in the report now presented, be agreed.
- ii. The disestablishment of the Pension Fund Administration Sub Committee, and the proposed revised terms of reference for the Pension Fund Committee, as set out at Appendix B to Annex 1 in the report now presented, be approved.

8. Application for Voluntary Redundancy

The report related to an application for voluntary redundancy from the County Treasurer and S 151 Officer.

The Leader reported that the Employment Committee at its meeting on 15 December 2014 had agreed that, subject to no objection being made by any member of the Cabinet, the Full Council be recommended to agree to the

dismissal of the County Treasurer on the basis of voluntary redundancy with effect from 31 March 2016.

She confirmed that no objections had been received and the Full Council was therefore asked to approve the recommendation.

Resolved: That the application for voluntary of the County Treasurer with effect from 31 March 2016 be approved.

9. Political Governance Structures

The report presented the findings of a cross party member officer Working Group established to investigate options for any change in the political management structure.

Full Council was now being asked to determine the most appropriate future political governance structure for Lancashire County Council.

Three options were presented for consideration: A cabinet system, a hybrid system and a committee system. Full details of the proposed options, with implications and analysis were contained in Appendices B-E of the report now presented.

It was moved by the Leader and seconded by County Councillor Bill Winlow that:

- i. Lancashire County Council retains the Cabinet system of governance as currently operated, which includes the Executive Scrutiny Committee and Budget Scrutiny Working Group established in June 2013;
- ii. The Political Governance Working Group be invited to reconvene to consider the issues requiring further consideration in the context of a retained Cabinet system as set out in the report, and report back to Full Council in May 2015; and
- iii. The Political Governance Working Group be invited to reconvene to consider issues relating to the reorganisation of the council and subsequent realignment of the Cabinet system after April 2016.

On being put to the vote the Motion was carried and it was

Resolved: That,

- i. The Cabinet system of governance as currently operated, including the Executive Scrutiny Committee and Budget Scrutiny Working Group be retained; and
- ii. The Political Governance Working Group be invited to reconvene to consider the issues requiring further consideration in the context of a retained Cabinet system as set out in the report, and report back to Full Council in May 2015; and
- iii. The Political Governance Working Group be invited to reconvene to consider issues relating to the reorganisation of the council and subsequent realignment of the Cabinet system after April 2016.

10. Protocol on Recording and Reporting on Meetings of the Council

The report explained that the government had recently introduced legislation and guidance for Local Authorities on the rights of the public and the media to record and report on meetings of the County Council.

The Lancashire County Council had never restricted reporting or recording, other than where it would be disruptive to the meeting itself, however it was considered appropriate to now use the opportunity presented by the guidance to develop a clear set of rules in this area. A draft protocol was attached as Appendix A to the report now presented.

Resolved: That the Protocol on reporting on and recording meetings of the County Council, as set out in Appendix A to the report now presented, be approved as Appendix P to the Constitution.

11. Report of the Cabinet (Part B)

The Leader of the Council moved Part B of the report of the Cabinet from its meetings on the 9 October, 6 November and 4 December 2014.

Resolved: That the report of the Cabinet from its meetings on the 9 October, 6 November and 4 December 2014 be noted.

12. Lancashire County Council's approach to the development of housing and support schemes for older people including those with dementia.

At its meeting on 2 October 2014 Full Council had resolved that a report be submitted to the December meeting regarding the development of a new service in North Lancashire to support older people, including those with a diagnosis of dementia. The report now presented provided an update on the development of new models of housing and support provision across Lancashire.

Resolved: That the report be noted.

13a The Overview and Scrutiny Committees

County Councillor Bill Winlow presented the reports of the Overview and Scrutiny Committees from their meetings as follows:

Committee	Date of Meeting
Scrutiny Committee	12 September 2014
	10 October 2014
	7 November 2014
	20 November 2014

Health Scrutiny Committee

7 October 2014
25 November 2014

Education Scrutiny Committee

21 October 2014

Resolved: That the reports of the Overview and Scrutiny Committees, as now presented, be received.

13b Audit and Governance Committee

County Councillor Terry Brown presented the report of the Audit and Governance Committee from its meeting on the 29 September 2014.

Resolved: That the report of the Audit and Governance Committee, as now presented, be received.

13c Report of the Pension Fund Committee

County Councillor Miles Parkinson presented the report of the Pension Fund Committee from its meeting on the 28 November 2014.

Resolved: That the report of the Pension Fund Committee, as now presented, be received.

13d Report of the Urgency Committee

The Leader presented the report of the Urgency Committee from its meetings on the 9 and 22 October 2014.

Resolved: That the report of the Urgency Committee, as now presented, be received.

Notices of Motion

The following **Notices of Motion** had been submitted under Procedural Standing Order 14.2.1(a).

1. It was moved by County Councillor Julie Gibson and seconded by County Councillor Tony Martin:

That Council recognises and applauds the White Ribbon Campaign which aims to highlight and show this Council's commitment to tackle domestic violence across the County.

That Council recognises that during this festive period, there are often heightened incidences of domestic violence and abuse, and places on record its commitment to working with partners across the public, voluntary, community and faith sectors to tackle these.

That Council welcomes the Community Safety Strategy 2014-2016 which includes within it a commitment to addressing domestic violence not just by bringing perpetrators to justice, but by working with children, young people, families and communities to challenge attitudes and behaviour.

County Councillor Graham Gooch moved the following **Amendment** which was seconded by County Councillor Geoff Driver:

"Violence against women is entirely unacceptable in any circumstances and Council applauds the 'White Ribbon campaign' which aims to highlight and eradicate violence against women wherever and whenever it is perpetrated.

So far as domestic violence is concerned Council recognises that during this festive period, there are often heightened incidences of domestic violence and abuse, and places on record its commitment to working with partners across the public, voluntary, community and faith sectors to tackle them.

Council welcomes the Community Safety Strategy 2014-2016 which includes within it a commitment to addressing domestic violence not just by bringing perpetrators to justice, but by working with children, young people, families and communities to challenge attitudes and behaviour."

County Councillor Gibson accepted the Amendment, which was put to the vote and was carried and therefore became the substantive Motion, which was put to the vote and was carried and it was therefore,

Resolved:

Violence against women is entirely unacceptable in any circumstances and Council applauds the 'White Ribbon campaign' which aims to highlight and eradicate violence against women wherever and whenever it is perpetrated.

So far as domestic violence is concerned Council recognises that during this festive period, there are often heightened incidences of domestic violence and abuse, and places on record its commitment to working with partners across the public, voluntary, community and faith sectors to tackle them.

Council welcomes the Community Safety Strategy 2014-2016 which includes within it a commitment to addressing domestic violence not just by bringing perpetrators to justice, but by working with children, young people, families and communities to challenge attitudes and behaviour.

2. It was moved by County Councillor Gina Dowding and seconded by County Councillor Sandra Perkins:

Lancashire County Council:

A) Registers its opposition to the Northern and Transpennine Express franchise requirement for driver only trains and Government's plans to make driver only trains mandatory.

B) Expresses its concern at the removal of on board conductors on The Northern and Transpennine routes as well as hundreds of essential rail jobs.

C) Believes that, if implemented the plan would result in cuts to funding, fare rises, service and timetable cuts and the loss of local rail jobs.

D) Also believe that as a result of the loss of skilled jobs, passenger service and passenger safety will be worsened by this plan to remove guards and conductors from services and introduce Driver Only Operated Trains.

E) Notes that these proposals come on top of rail fare hikes and the pre existing understaffing of many rail stations and the closure of ticket offices, making guards and on board conductors even more essential to passenger safety.

F) Believes that safeguarding and increasing staffing levels are the most effective way of improving security and passenger safety.

G) Notes that the driver is responsible for safe operation of the train and the on board conductor is responsible for the protection of the passengers.

H) Notes that currently, guards and on board conductors are fully trained in the operational safety, route knowledge, including safely securing doors, protecting the train and acting in emergencies such as driver incapacity

and therefore asks the Cabinet Member with responsibility of Transport, and as Lancashire County Council's representative on Rail North, to ensure that any negotiations in renewing the franchise will not result in cuts to staff and reduction in passenger safety.

County Councillor John Fillis moved the following **Amendment** which was seconded by County Councillor David Borrow:

Lancashire County Council:

A) Is aware of concerns that the new Northern and Trans Pennine Express Rail Franchise process could have an impact on staffing levels on trains.

B) Recognises that passengers value the presence of staff during their journey and expresses its concern at the potential removal of on board staffing on the Northern and Trans Pennine routes.

C) **Calls upon the government to maintain its current subsidy; to ensure that potential increases in resources through local management initiatives and increased passenger numbers is used to improve passenger services e.g. more trains, better trains; and to ensure that increases in revenue are not used to reduce government subsidy.**

D) **Recognises the importance of skilled jobs and transferable skills to ensure passenger service and safety; considers that the removal of on board staffing and the introduction of machine only ticketing may be detrimental to passenger service and safety; and notes that digitalisation of ticket services is considered a great benefit to many but it should be recognised that some people do not have the experience or access to the use of such benefits.**

E) Notes that these proposals come on top of rail fare hikes and the pre-existing understaffing of many rail stations and the closure of ticket offices, **along with poor rolling stock and overcrowded trains.**

F) **Believes that appropriate levels of staff and training, based on recognised risk assessment,** are the most effective way of improving security and passenger safety.

G) Notes that the driver is responsible for safe operation of the train and the on board staff are responsible for the safety of the passengers.

H) Notes that currently, guards and on board conductors are fully trained in the operational safety, route knowledge, including safely securing doors, protecting the train and acting in emergencies such as driver incapacity and believes that all rail staff should be trained in emergency procedures especially those on board staff.

The Council therefore asks the Cabinet Member with responsibility for Transport, and as Lancashire County Council's representative on Rail North, **to seek to influence the Department for Transport, through Rail North to promote a well-funded and affordable network that delivers opportunities for service growth and maintains high standards of safety."**

County Councillor Dowding accepted the Amendment, which was put to the vote and was carried and therefore became the substantive Motion, which was put to the vote and was carried and it was therefore,

Resolved: That,

Lancashire County Council:

A) Is aware of concerns that the new Northern and Trans Pennine Express Rail Franchise process could have an impact on staffing levels on trains.

B) Recognises that passengers value the presence of staff during their journey and expresses its concern at the potential removal of on board staffing on the Northern and Trans Pennine routes.

C) Calls upon the government to maintain its current subsidy; to ensure that potential increases in resources through local management initiatives and increased passenger numbers is used to improve passenger services e.g. more trains, better trains; and to ensure that increases in revenue are not used to reduce government subsidy.

D) Recognises the importance of skilled jobs and transferable skills to ensure passenger service and safety; considers that the removal of on board staffing and the introduction of machine only ticketing may be detrimental to passenger service and safety; and notes that digitalisation of ticket services is considered a great benefit to many but it should be recognised that some people do not have the experience or access to the use of such benefits.

E) Notes that these proposals come on top of rail fare hikes and the pre-existing understaffing of many rail stations and the closure of ticket offices, along with poor rolling stock and overcrowded trains.

F) Believes that appropriate levels of staff and training, based on recognised risk assessment, are the most effective way of improving security and passenger safety.

G) Notes that the driver is responsible for safe operation of the train and the on board staff are responsible for the safety of the passengers.

H) Notes that currently, guards and on board conductors are fully trained in the operational safety, route knowledge, including safely securing doors, protecting the train and acting in emergencies such as driver incapacity and believes that all rail staff should be trained in emergency procedures especially those on board staff.

The Council therefore asks the Cabinet Member with responsibility for Transport, and as Lancashire County Council's representative on Rail North, to seek to influence the Department for Transport, through Rail North to promote a well-funded and affordable network that delivers opportunities for service growth and maintains high standards of safety.

Jo Turton
Chief Executive

County Hall
Preston

Agenda Item 4

Meeting of the Full Council Meeting to be held on 26 February 2015

Report submitted by: The Chief Executive

Part A

Electoral Division affected:
None

Appointment of Section 151 officer

Contact for further information:
Chris Mather, (01772) 533559, Office of the Chief Executive,
Chris.mather@lancashire.gov.uk

Executive Summary

This report relates to the proposed appointment of the interim Director of Financial Resources to act as the Council's Section151 officer.

Recommendation

The Full Council is asked to approve the appointment of Damon Lawrenson as the Council's Section151 officer with effect from 2 March 2015 on the basis set out in the report.

Background and Advice

At its meeting held on 9 October 2014 the Cabinet agreed to a new senior management structure for the Council to take effect from 1 April 2015. It was also agreed that the Employment Committee would be responsible for appointments to a number of senior posts including the appointment of the Council's Section151 officer.

Having interviewed for the Section151 post the Committee did not make an appointment. The Committee also subsequently agreed to recommend Full Council to approve an application for voluntary redundancy submitted by the County Treasurer who is currently the Council's Section151 officer, the voluntary redundancy to take effect no later than 31 March 2016. Full Council agreed to that recommendation on 18 December 2014.

The Chief Executive was tasked with reviewing options to fill the position of Section151 officer from 1 April 2015 and have in place a solution to ensure that the Finance Service was improved and developed as part of the Council's transformation process. Having considered the matter carefully, the Chief Executive determined that

it was appropriate to engage an interim Director of Financial Resources who would also take on the Section151 role.

Accordingly at its meeting held on 16 February 2015 the Employment Committee agreed to an officer recommendation that Damon Lawrenson should be appointed as interim Director of Financial Resources and Section151 officer with effect from 2 March 2015, the assignment to continue for a period of 12 months (or such longer period as the Chief Executive considers necessary) with the intention that the Director of Financial Services post will be recruited to on a permanent basis from April 2016 following external advertisement. Full Council should note that an express requirement of the interim role is to provide appropriate development opportunities to internal staff to provide an opportunity for them to apply for the permanent Section151 role when advertised.

The Council's Constitution requires that Full Council must approve the appointment of the Section151 officer before an offer of appointment can be made. The Constitution also requires notification of the proposed appointment to be given to each member of the Cabinet to give them an opportunity to object to the proposal. Such notification has been given to the Cabinet and no objections were received.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There is a statutory requirement to appoint a Section151 officer.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Tel
-------	------	-------------------------

N/A

Reason for inclusion in Part II, if appropriate

N/A

Meeting of the Full Council

Meeting to be held on 26 February 2015

Electoral Division affected: None

The Localism Act 2011 – Pay Policy Statement 2015/16

(Appendix A refers)

Contact for further information:

Chris Mather, (01772) 533559, Office of the Chief Executive,

chris.mather@lancashire.gov.uk

Executive Summary

This report sets out the County Council's proposed 2015/16 Pay Policy Statement as required by the Localism Act 2011.

The Pay Policy Statement must be approved by Full Council before it comes into force.

Recommendation

The Full Council is asked to consider the recommendations of the Employment Committee and approve the 2015/16 Pay Policy Statement.

Background and Advice

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. The Pay Policy Statement must articulate the Council's approach to the remuneration of chief officers on appointment, subsequent progression and any use of bonus or performance related pay. In preparing pay policy statements local authorities must have regard to any guidance issued or approved by the Secretary of State. In preparing this statement for 2015/16 regard has been had to Guidance issued by the Department for Communities and Local Government.

The purpose of the statement is to provide transparency with regard to the Council's approach to setting pay for its employees (except staff in schools), in particular its chief officers. The Pay Policy Statement must be approved by a resolution of Full Council before it comes into force on 1 April each year and must then comply with the statement for the financial year to which it relates (although amendments may be made to the statement after the beginning of the financial year to which it relates). Once approved the statement (or an amended statement) must be published in such manner as the local authority it thinks fit which must include publication on the local authority's website.

The Pay Policy Statement must set out the local authority's policies for the financial year relating to:

- The remuneration of its chief officers;
- The remuneration of its lowest-paid employees, and
- The relationship between –
 - The remuneration of its chief officers, and
 - The remuneration of its employees who are not chief officers

The statement must set out:

- The definition of 'lowest-paid employees' adopted by the authority for the purposes of the statement, and
- The authority's reasons for adopting that definition.

The statement must include the local authority's policies relating to:

- The level and elements of remuneration for each chief officer
- Remuneration of chief officers on recruitment
- Increases and additions to remuneration for each chief officer
- The use of performance-related pay for chief officers
- The use of bonuses for chief officers
- The approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- The publication of and access to information relating to remuneration of chief officers.

A Pay Policy Statement for a financial year may also set out the local authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

The Employment Committee at its meeting on 23 February 2015 will consider a report on the proposed Pay Policy Statement for the financial year 2015/16. A copy of the proposed Pay Policy Statement is provided at Appendix A. The Pay Policy Statement must be approved by Full Council before it comes into force and the recommendations of the Employment Committee will be reported orally at the meeting of Full Council.

The Pay Policy Statement takes account of the recommendations within the Hutton Review of Fair Pay in the Public Sector (March 2011) that 'government should not cap pay across public services, but should require that from 2011/12 all public service organisations publish their top to median pay multiples each year to allow the public to hold them to account.' The Statement therefore sets out the Council's aim that the pay multiple between the median FTE salary and that of the Chief Executive will not exceed 1:16.

The pay multiple between the median FTE salary and that of the Chief Executive is 1:10.09, which represents a slight decrease from the figure of 1:10.31 reported in the last pay policy statement.

The Guidance also provides that Full Council should be offered the opportunity to consider salary packages in excess of £100k before any new appointment is made. In this regard the Pay Policy Statement sets out the grading structure for all posts at Director 1 and above. All appointments are currently made in line with this grading structure and any proposal to make a new appointment otherwise than in accordance with it would first be referred to Full Council to consider.

The salaries for posts graded Director 1 and 2 on the Lancashire Pay Scale, provided at Annex 'A', have recently been updated to take account of the JNC for Chief Officers of Local Authorities pay agreement of 2% on all Chief Officer posts in receipt of salaries up to and including £99,999 from 1 January 2015. As posts graded Director 3 and Executive Director are paid in excess of £100,000 no pay award will be applied from 1 January 2015. Discussions are still ongoing in relation to a national Chief Executive pay award under the JNC for Local Authority Chief Executives.

Consultations

The proposed Pay Policy Statement for 2015/16 has been shared with the Joint Negotiating and Consultative Committee.

Implications:

This item has the following implications, as indicated:

Financial Implications

There are no direct financial implications arising from the adoption of the Pay Policy Statement.

Risk management

The Full Council is under a statutory duty to agree an annual Pay Policy Statement and this function cannot be delegated.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Directorate/Tel
Openness and accountability in local pay: Guidance under section 40 of the Localism Act	February 2012	K Dunne 01772 535787

Reason for inclusion in Part II, if appropriate

N/A

Annual Pay Policy Statement 2015/16 (The Localism Act 2011)

Introduction

The Localism Act 2011 (the Act) requires the County Council to prepare a pay policy statement each year. The pay policy statement must articulate the Council's approach to a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.

The following pay policy statement has been approved by Full Council and will come into effect from 1 April 2015. This annual pay policy statement will be subject to annual review and approval by Full Council by 31 March each year. In exceptional circumstances the statement may be reviewed/amended mid-year by the Full Council.

This statement will be published on the Council's website following each review and approval by Full Council.

The purpose of this statement is to provide transparency with regard to the Council's approach to setting the pay of its employees (excluding staff working in local authority schools) by identifying:

- The methods by which salaries of all employees are determined;
- The detail and level of remuneration of the Council's most senior staff;
- The remuneration of the Council's lowest-paid employees, and
- The relationship between the remuneration of chief officers and those employees who are not chief officers.

This pay policy statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Act. Section 40(1) of the Act requires local authorities to have regard to guidance issued by the Secretary of State in performing their functions and approving pay policy statements. In preparing this pay policy statement regard has been had to the Guidance issued by the Department for Communities and Local Government in February 2012.

1. The Council's Pay and Grading Structure

- 1.1 Section 112 of the Local Government Act 1972 provides that a local authority shall appoint such officers as they think fit for the proper discharge of their functions. Officers so appointed shall hold office on such reasonable terms and conditions, including conditions as to remuneration, as the local authority thinks fit.
- 1.2 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. The Council will ensure that there is no pay discrimination within its pay and grading structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in

grades according to the requirements, demands and responsibilities of the role.

- 1.3 The remuneration of the vast majority of employees of the Council, other than those employee groups set out below, is in accordance with an objectively evaluated grade/role profile as determined under the Council's job evaluation scheme. The evaluated score or role profile will determine the grading level paid within a locally agreed pay spine (the Lancashire Pay Spine (see Annex A) The Council presently use the Local Government Single Status Job Evaluation Scheme (the NJC scheme) to evaluate posts up to Grade 6 on the Lancashire Pay Spine and the Hay Group Job Evaluation Scheme for other managerial and professional grades.
- 1.4 The following employee groups are not presently paid in accordance with an evaluated grade/role profile determined by the Council and instead nationally or locally determined rates apply:
 - Employees whose pay and conditions are determined by the Soulbury Committee;
 - Employees whose pay and conditions of service are determined by the Joint Negotiating Committee for Youth and Community Workers;
 - Employees on 'Red Book' pay and conditions of service who are employed within Lancashire Adult Learning. Teachers and managers employed within Lancashire Adult Learning are paid in accordance with a locally determined 'Salaries for Teachers in Adult Education' pay spine which incorporates both a teachers' pay spine and a management pay spine;
 - Employees who have transferred from the NHS to the County Council;
 - Employees who have retained terms and conditions of employment from other employers following a TUPE transfer to the County Council.
- 1.5 The Council presently adopts the national pay bargaining arrangements in respect of the revision of pay spines through any agreed annual pay increases negotiated with joint trade unions.
- 1.6 All other pay related enhancements and payable allowances/expenses are the subject of either nationally or locally negotiated and/or determined rates. The enhancements to pay and allowances/expenses payable as determined from time to time are provided at Annex B (Payable Enhancements) and Annex C (Allowances and Expenses) respectively.
- 1.7 New appointments will normally be made at the minimum of the relevant pay scale for the grade, although recruiting managers have discretion to offer a higher scale point to secure the best candidate.
- 1.8 Progression within each grade will normally be by annual increment at 1 April each year subject to the maximum of the grade. However, chief officers have

discretion to advance an individual employee's incremental progression within the grade on the grounds of special merit or ability to assist in the retention of able professional or other staff.

- 1.9 Any temporary supplement to the salary scale for the grade for taking on additional duties or responsibilities must be approved in accordance with the Council's agreed policy relating to honoraria payments and acting up allowances.
- 1.10 From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

2. Chief Officer Remuneration

- 2.1 The Act defines chief officers as the following (the post titles in brackets identify the relevant posts within the Council):
 - The Head of the Paid Service (the Chief Executive);
 - The Monitoring Officer (the County Secretary & Solicitor);
 - A statutory chief officer (the Executive Director for Adult Services, Health and Wellbeing, the Executive Director for Children & Young People, the County Treasurer and the Director of Public Health);
 - A non-statutory chief officer (the Executive Director for the Environment and any other postholder reporting directly to or directly accountable to the Chief Executive);
 - A deputy chief officer (all other director grade posts).
- 2.2 The terms and conditions of employment applicable to officers on director grade and above are as determined by the JNC for Chief Officers of Local Authorities, JNC for Chief Executives of Local Authorities or NHS Staff Council as amended, supplemented or superseded by decisions on conditions of service made by the Council from time to time and contained within the Council's Personnel Code.

Note: Those senior employees covered by the JNC for Chief Officers of Local Authorities, JNC for Chief Executives of Local Authorities or NHS Staff Council will be brought within Lancashire County Council/NJC for Local Government Services terms and conditions, as part of the whole-council transformation, with effect from 1 April 2015.

- 2.3 The Council's pay and grading structure is as approved by Full Council. The grade/role profile of each chief officer post has been objectively evaluated using a recognised job evaluation scheme (the Hay Group Job Evaluation Scheme). The evaluated score or role profile will determine the grading level paid within the Lancashire Pay Spine. Salary packages take account of such factors as the requirements of the job, the relative size of the organisation, local and national market rates and the relationship with other posts within the grading structure.
- 2.4 Details of chief officers' basic salary are set out below (salaries are as applicable at 1 January 2015). A structure chart identifying all posts covered by the statutory definition of chief officer posts is provided at Annex D.

Chief Executive

The current basic salary package of the post of Chief Executive/Head of Paid Service is £170,000 per annum, is a single, spot salary. The Chief Executive also acts as Returning Officer for all Council elections for which an additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of Council elections.

The fee payable is calculated in accordance with a formula approved by Full Council, currently 15% of the total fees payable to Deputy Returning Officers employed by district councils (which are based on a set amount for each councillor to be elected, currently £71.25). In a contested election, the Council presently has 84 elected members. Elections take place on a 4 year cycle although by-elections may take place at other times.

Executive Directors

The current basic salary package for posts designated as Executive Director fall within a range of five incremental points between £118,884 (ED 91) rising to a maximum of £129,201 (ED 95).

Director grades

The current basic salary package of posts within the Director grades fall within a range of three levels each comprising of five incremental points as set out below:

- Director Grade 1 (D1) - £76,560 (D1 76) rising to £84,036 (D1 80)
- Director Grade 2 (D2) - £85,701 (D2 81) rising to £93,180 (D2 85)
- Director Grade 3 (D3) - £105,000 (D3 86) rising to £115,000 (D3 90)

Officers reporting direct to the Chief Executive

There is currently one officer who meets the statutory definition of chief officer as they report directly to the Chief Executive but who is not employed on chief officer pay or terms and conditions. This post is identified on the structure chart provided at Annex D.

Director of Health Improvement

The rewards package for this post is as set out in the NHS Terms and Conditions of Service Handbook. The current basic salary package (wef 1 April 2013) for this post is:

- Agenda for Change (second pay spine) Band 9 - £77,850 to £98,453

Progression is by annual increment on 1 April each year and subject to gateway reviews as set out within the NHS Terms and Conditions Handbook and linked to the NHS Knowledge and Skills Framework.

The Agenda for Change pay system and core conditions for staff on Agenda for Change are determined by the NHS Staff Council. Annual pay awards are determined by the Department of Health on the basis of recommendations made by the NHS Pay Review Board. However, it is for the Council to determine whether or not the pay award should be applied to posts that have transferred.

The NHS Job Evaluation Handbook (2010) sets out the basis of job evaluation which underpins the pay system and includes the factor plan, the weighting and scoring document and a guide for matching posts locally.

The NHS Terms and Conditions of Service Handbook also sets out details of other pay related enhancements and payable allowances/expenses including:

- Allowance payable relating to the maintenance of round the clock services (evening, night, weekend, bank holiday and on-call enhancements);
- Overtime payments;
- Pay in high cost areas (applicable to London, outer London and fringe areas only);
- Recruitment and retention premia (now removed but payments subject to transitional protection arrangements);
- Maternity, adoption and paternity leave and pay;
- Redundancy pay;
- Early retirement provisions;
- Mileage allowances;
- Subsistence allowances (including overnight allowances).

The NHS Terms and Conditions of Service Handbook can be accessed at: <http://www.nhsemployers.org/PayAndContracts/AgendaForChange/Pages/Afc-Homepage.aspx>

Other terms and conditions not covered in the handbook are determined locally following consultation with staff representatives. This includes the option of a lease car for employees who are required to be mobile and where it is deemed to be in the interest of the service to do so. The use of locally determined lease car schemes are required to take into account principles set out in the handbook.

Employees covered by the NHS Terms and Conditions of Service Handbook are eligible to join the NHS Pension Scheme.

Note: The Code of Recommended Practice for Local Authorities on Data Transparency (September 2011) requires that information on senior employee salaries (£58,200 and above) is made available in the Council's inventory of public data. The Accounts and Audit (England) Regulations 2011 require local authorities to publish details relating to the remuneration and employer pension contributions in respect of senior employees within their annual statement of accounts.

2.5 Progression through the grade is by annual increment which normally happens on 1 April each year.

2.6 Salary levels are increased in accordance with nationally agreed annual pay settlements negotiated through the JNC for Chief Officers of Local Authorities (JNC for Chief Executives of Local Authorities in respect of the Chief Executive's pay).

2.7 Other remuneration elements

2.7.1 In addition to basic salary, all chief officer posts are entitled to:

- A lease car. The current maximum contribution by the County Council, based on the annual rental payable for any vehicle, is £6,000 (£6,500 for the Chief Executive); or,
- As an alternative to a lease car a chief officer may opt to receive a cash equivalent sum of £5,300 per annum (as at 1 January 2015) (this sum is subject to annual review);
- The council operates a policy of reimbursing the membership fees incurred by a chief officer in relation to membership of a professional body;
- Official business mileage undertaken by chief officers is reimbursed at the prevailing advisory rate set by HMRC in relation to company cars. This rate is calculated on the basis that it does not include any taxable profit and no National Insurance Contribution liability as the rate is intended to reflect actual fuel costs.
- Other allowances and expenses which chief officers may claim are as set out within the list provided at Annex C (Allowances and Expenses). The allowances and expenses which may be claimed are as applicable to other employees of the Council.
- Chief Officers are not permitted to claim any payable enhancements as documented at Annex B (for example, planned overtime payments or enhancements for weekend working).

2.7.2 To meet specific operational requirements it may be necessary in exceptional circumstances for an individual to temporarily take on additional duties or

responsibilities. Where this is necessary and justified a temporary supplement to the salary scale for the grade must be approved in accordance with the Council's agreed policy relating to honoraria payments and acting up allowances.

2.8 Performance related pay/bonus scheme

With the exception of progression through the incremental scale of the relevant grade, the level of remuneration is not variable or dependent upon the achievement of defined targets.

The Council does not operate a performance related pay scheme in relation its chief officers nor does it pay bonuses or any other cash incentive.

2.9 Recruitment of Chief Officers

2.9.1 The Council has delegated the appointment and dismissal of the Chief Executive and Executive Directors to the Employment Committee. The Council's Scheme of Delegation to Chief Officers provides that the Chief Executive and Executive Directors may appoint and dismiss directors reporting to them in accordance with the Council's procedures. When recruiting to all chief officer posts the Council is required to comply with the statutory requirement that no appointment or dismissal (including dismissal by reason of redundancy) may proceed until all cabinet members have been notified of the proposed appointment or dismissal to allow them the opportunity to object.

Note: These arrangements have been varied for the purpose of the Council's current Transformation process.

2.9.2 Remuneration on appointment is at the discretion of the Employment Committee (or appointing chief officer in the case of director level appointments) to secure the best candidate for the position and having regard to qualifications and experience.

2.9.3 Relocation allowances paid to chief officers are in accordance with the Council's Relocation Allowances scheme which applies to permanent employees (and fixed term appointments of two years or more) who are appointed as a result of external advertisement, and who are obliged to relocate their place of residence as a direct result of taking up their initial appointment with the Council. The maximum amount payable is £8,201 (as at 1 January 2015). An additional discretionary element of £2000 is payable in exceptional circumstances.

2.9.4 Where the Council is unable to recruit chief officers, or there is a need for interim support to provide cover for a substantive chief officer post, the Council will, where necessary, consider engaging individuals under a 'contract for service'. These will be sourced through a relevant procurement process ensuring that the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. In making

such assessments it should be noted that in respect of such engagements the Council is not required to make either pension or national insurance contributions for such individuals. The Council does not currently have any chief officers engaged under such arrangements.

2.10 Payments on Termination of employment

2.10.1 The Council's policies in relation to redundancy payments and early retirement are set out respectively within its Employer Discretions Policy, Redundancy Payments Scheme, Early Retirement and Business Efficiency (Early Retirement) Policies. The Council's policy in relation to payments on termination is as summarised below:

Under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, the Council applies its discretion (Regulation 5) in the case of both voluntary and compulsory redundancy to base any payments on an employee's actual week's pay. Under Regulation 6, the Council makes voluntary redundancy payments based upon the statutory redundancy payments scale with the entitlement in terms of the number of weeks payable being multiplied by a factor of 1.6 (as at 1 January 2015), subject to a maximum of 48 weeks. Compulsory redundancy payments are based upon the statutory redundancy payments scale only at actual pay.

Under Regulation 31 of the Local Government Pension Scheme Regulations 2013, the Council may award additional pension of not more than £6,500 a year (as at 1 January 2015) in exceptional and justifiable circumstances.

2.10.2 The Council does not operate a policy of making any specific or general payment to its chief officers on their ceasing to hold office or to be employed by the Council but it may, where appropriate, agree to waive contractual notice.

2.10.3 Any other forms of severance payment falling outside these provisions must be authorised by or on behalf of the Full Council.

2.11 Tax avoidance measures

All chief officers are remunerated via monthly salary payments. Appropriate tax and national insurance deductions are made in accordance with HMRC regulations and there are no arrangements in place for the purpose of minimising tax payments.

3. **Lowest Paid Employees**

3.1 The lowest paid persons employed under a contract of employment with the Council are employed on full time equivalent (37 hours) salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure (the Lancashire Pay Spine).

- 3.2 With effect from 1 April 2014 the County Council became a Living Wage employer. This means that from 1 April 2014 all employees are paid a minimum of £7.65 per hour, which is the equivalent of £14,759 per annum. (This excludes staff in schools, as the decision as to whether to adopt the Living Wage sits with the individual Governing Body of each school).
- 3.3 As at 1 January 2015, the lowest grading level within the Lancashire pay spine is Living Wage Grade 2, which encompasses a single point (10 LW) of £14,759 per annum.

4. The relationship between the remuneration of chief officers and those employees who are not chief officers.

- 4.1 The relationship between the rate of pay for the lowest paid and chief officers is determined by the job evaluation process used for establishing the grading of posts and role profiles as set out earlier in this policy statement.
- 4.2 Local authorities are recommended to publish the pay multiple between the highest paid employee and the median average earnings across the organisation. The current pay levels within the Council define the multiple between the average full time equivalent salary (excluding chief officer posts) and the Chief Executive as being:

Median average 1:10.09 (figures based upon median average FTE salary of £17,372 and Chief Executive's salary of £175,300 (including cash equivalent lump sum).

- 4.3 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate. In addition, upon the annual review of this statement, the Council will also monitor any changes in the relevant 'pay multiples' and benchmark against other comparable local authorities. The Council's policy aim is for the multiple between the median salary and that of the highest paid officer to not exceed 1:16 (currently 1:10.09).

5. Accountability and Decision Making

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 prescribe certain functions that may not be exercised by an authority's executive (cabinet or cabinet member) and includes the power to appoint staff and to determine the terms and conditions on which they hold office, including procedures for their dismissal. These functions must therefore be exercised by the Full Council or delegated by the Full Council to a committee or officer.

The Local Authorities (Standing Orders) (England) Regulations 2001 provide that the functions of dismissal of, and taking disciplinary action against, a member of staff must be discharged by the head of the paid service (the chief

executive) or an officer nominated by him/her. However, this provision does not apply to the posts identified in paragraph 2.1 above (chief officers) and the Council's constitution currently provides that these functions in relation to the Chief Executive and some other senior posts are discharged on behalf of the Full Council by the Employment Committee (subject to the requirements set out in paragraph 2.9.1 above).

The Employment Committee was established by Full Council to discharge all functions in relation to the terms and conditions of employment of all staff including chief officers.

Section 42 of the Act provides that the function of approving an Annual Pay Policy Statement may not be delegated to a committee, therefore the function of the Employment Committee in this regard is to recommend a Pay Policy Statement to Full Council for approval.

6. Re-employment / Re-engagement of former Chief Officers

- 6.1 The Council in its role as administrator of the Lancashire Pension Fund has adopted a policy for scheme employers participating in the Lancashire Pension Fund regarding re-employment which is that only members in receipt of ill health pensions will be subject to abatement where the aggregate of the pension and the earnings in the new employment exceed the rate of pay on leaving the first employment.
- 6.2 In addition to the policy highlighted above, re-employed pensioners who have previously retired on redundancy or efficiency grounds before October 2006 and been awarded compensatory added years, are also subject to abatement. This abatement applies only to the benefits which are payable in relation to the added years awarded. The benefits are adjusted where the aggregate of the pension and the earnings in the new employment exceed the rate of pay on leaving the first employment. There is no discretion for the Council as administrator of the Lancashire Pension Fund on whether or not they apply this particular abatement in respect of benefits payable as a result of the previous award of compensatory added years.
- 6.3 It is a condition of the Council's Redundancy Procedure that employees wishing to apply for voluntary redundancy must agree in writing that they will not apply for future employment with the Council for a period of three years following the date of the termination of their former employment. This provision will apply equally to officers who leave with a voluntary severance payment.
- 6.4 The Council will not re-engage as a chief officer under a contract for services any former employee of the Council who, on ceasing employment with the Council, was in receipt of a severance payment, a redundancy payment or a pension from the Council for a period of three years following the date of the termination of their former employment.

7. Pension Contributions

- 7.1 Where employees become members of the Local Government Pension Scheme, the Council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due under the contract of employment of that employee. The rate of contribution is set by Actuaries advising the Lancashire Pension Fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The rate effective from 1 April 2014 (set at 31 March 2013) is 12.6%.
- 7.2 The employee contribution rates for members of the Local Government Pension Scheme are reviewed on 1 April each year. The rates as effective from 1 April 2014 are as set out below:

<u>Pensionable pay range</u>	<u>Employee Contribution Rate</u>
Up to £13,500	5.5%
£13,501 to £21,000	5.8%
£21,001 to £34,000	6.5%
£34,001 to £43,000	6.8%
£43,001 to £60,000	8.5%
£60,001 to £85,000	9.9%
£85,001 to £100,000	10.5%
£100,001 to £150,000	11.4%
£150,001 or more	12.5%

NHS Pension Scheme – 2014/15 rates

<u>Full Time Equivalent Salary</u>	<u>Employee Contribution Rate</u>
Up to £15,431.99	5.0%
£15,432.00 to £21,387.99	5.6%
£21,388.00 to £26,823.99	7.1%
£26,824.00 to £49,472.99	9.3%
£49,473.00 to £70,630.99	12.5%
£70,631.00 to £111,376.99	13.5%
£111,377.00 and over	14.5%

SCP	£ (Annual)	Monthly Salary	Hourly Rate	Grades	
5	13,500	1,125	7.00	Grade 1 164 - 229 NJC points	<i>until 1 October 2015</i>
6	13,614	1,135	7.06		
10 (LW)	14,759	1,230	7.65	LIVING WAGE Grade 3 255 - 299 NJC points	LIVING WAGE Grade 2 230 - 254 NJC points
11	15,207	1,267	7.88		
12	15,523	1,294	8.05	Grade 4 300 - 359 NJC points	
13	15,941	1,328	8.26		
14	16,231	1,353	8.41		
15	16,572	1,381	8.59		
16	16,969	1,414	8.80		
17	17,372	1,448	9.00		
18	17,714	1,476	9.18	Grade 5 360 - 419 NJC points 158 - 186 Hay points	
19	18,376	1,531	9.52		
20	19,048	1,587	9.87		
21	19,742	1,645	10.23		
22	20,253	1,688	10.50	Grade 6 420 - 479 NJC points 187 - 222 Hay points	
23	20,849	1,737	10.81		
24	21,530	1,794	11.16		
25	22,212	1,851	11.51		
26	22,937	1,911	11.89	Grade 7 480 - 539 NJC points 223 - 264 Hay points	
27	23,698	1,975	12.28		
28	24,472	2,039	12.68		
29	25,440	2,120	13.19		
30	26,293	2,191	13.63		
31	27,123	2,260	14.06		
32	27,924	2,327	14.47	Grade 8 540 - 599 NJC points 265 - 313 Hay points	
33	28,746	2,396	14.90		
34	29,558	2,463	15.32		
35	30,178	2,515	15.64		
36	30,978	2,582	16.06		
37	31,846	2,654	16.51		
38	32,778	2,732	16.99	Grade 9 600 - 659 NJC points 314 - 373 Hay points	
39	33,857	2,821	17.55		
40	34,746	2,896	18.01		
41	35,662	2,972	18.48		
42	36,571	3,048	18.96	Grade 10 660 - 719 NJC points 374 - 443 Hay points	
43	37,483	3,124	19.43		
44	38,405	3,200	19.91		
45	39,267	3,272	20.35		
46	40,217	3,351	20.85		
47	41,140	3,428	21.32		
48	42,053	3,504	21.80	Grade 11 720 - 779 NJC points 444 - 526 Hay points	
49	42,957	3,580	22.27		
50	43,875	3,656	22.74		
51	44,826	3,736	23.23		
52	45,727	3,811	23.70	Grade 12 780 - 849 NJC points 527 - 645 Hay points	
53	46,659	3,888	24.18		
54	47,595	3,966	24.67		
55					
56				Not Used	

57				
58	52,671	4,389		
59	53,662	4,472		
60	54,657	4,555		
61	55,272	4,606		
62	56,356	4,696		
63	57,439	4,787		
64				
65				
66				
67	62,101	5,175		
68	63,296	5,275		
69	64,485	5,374		
70	65,451	5,454		
71	66,767	5,564		
72	68,077	5,673		
73				
74				
75				
76	78,091	6,508		
77	79,995	6,666		
78	81,904	6,825		
79	83,810	6,984		
80	85,717	7,143		
81	87,415	7,285		
82	89,324	7,444		
83	91,231	7,603		
84	93,140	7,762		
85	95,044	7,920		
86	105,000	8,750		
87	107,500	8,958		
88	110,000	9,167		
89	112,500	9,375		
90	115,000	9,583		
91	118,884	9,907		
92	121,467	10,122		
93	124,044	10,337		
94	126,624	10,552		
95	129,201	10,767		
96	170,000	14,167		

Grade 13 850 - 909 NJC points 646 - 765 Hay points	
Not Used	
Grade 14 910 - 969 NJC points 766 - 909 Hay points	
Not Used	
D1 910 - 1065 Hay points	
D2 1066 - 1194 Hay points	
D3 1195 - 1339 Hay points	
ED 1340 - 2060 Hay points	
CE	

16-Feb-15

Notes

**Only to be used for apprentice posts
Only to be used for apprentice posts**

Minimum pay level for all other posts

Payable Enhancements

The following pay elements replace those contained within national agreements relating to the NJC for Local Government Services (Part 3, Section 2 'Working Arrangements') and the JNC for Local Authority Craft and Associated Employees.

Element	Rate Payable	Additional information
Extra Duty - additional hours (below 37hpw)	Plain time	
Overtime - additional hours (above 37hpw)	Time + 25% Time + 33% (contractual overtime rate)	Employees graded above Scp 26 will be granted TOIL. In exceptional circumstances, see 'Planned Overtime' below. Where employees are called upon to return to work, see arrangements below.
Night Work	Time + 25%	Payable between the hours 11pm and 8am subject to start time being before 6am. See definition below.
Weekend Work	Time + 25% Time + 33% (contractual weekend rate)	Payable where required to work Saturday and Sunday as part of normal working week (i.e. not where this is overtime).
Bank Holidays and Extra Statutory Days	Time + 50% In addition, at a later date, time off with pay shall be allowed as follows: Time worked less than half the normal working hours on that day - Half Day. Time worked more than half the normal Working hours on that day - Full Day	Payable for hours worked from midnight until 23.59 hours.
Shift Work – rotating shift/alternating shift	Time + 10%	Criteria to be met to qualify for payment set out below.
Split daily shifts (Split Duty)	Additional 5p per hour	See definition below.

Standby payments	<p>Full week outside normal working hours – 20% enhancement on basic weekly pay subject to a minimum payment of £125.</p> <p>For periods of less than one week:</p> <p>Mon/Fri – enhancement based on 2% of a week's basic pay or a minimum payment of £13.89 whichever is the greater.</p> <p>Sat/Sun – enhancement based on 2% of a week's basic pay or a minimum payment of £13.89 whichever is the greater for each 12 hour period of duty.</p> <p>50% enhancement on rates outlined above for work on a bank holiday or extra- statutory days.</p>	<p>Where task undertaken has been evaluated then 20% of rate for the job is payable subject to a minimum payment of £125 per week.</p> <p>If called out, contractual overtime rates apply (see above).</p> <p>Employees graded above Scp 54 (or equivalent) will not be eligible to receive standby payments.</p> <p><u>Payment for Rostered Emergency Duty Scheme</u></p> <p>Employees who are designated by Directorates/LCCG to provide a guaranteed level of emergency cover in order to meet the requirements of the national standards for the Emergency Planning function will receive standby payments where they are required to provide a full week of emergency contact duty outside normal working hours.</p>
Emergency Call Out	Overtime rates payable (see above). Minimum 2 hours' payment will apply.	
First Aid payment	Designated First Aider - £104 per annum. Designated deputy First Aider - £52 per annum.	Not payable where requirement to provide first aid forms a part of core duties as this accounted for in the grade for the job.
Sleeping-in Duty Payment	£34.00	NJC rates apply. Rate with effect from 1 January 2015.
Tool Allowances		As per National Agreement

		for Craft and Associated Employers.
--	--	-------------------------------------

Planned Overtime:

A Chief Officer may approve in advance, and in exceptional recorded circumstances, the working of planned overtime for a period not exceeding six months in any financial year in respect of specified groups of employees who do not qualify for overtime payments, subject to the availability of sufficient budgetary resource.

Remuneration for planned overtime will be at the rate of time + 25% related to Scp 26, or at plain time rates relative to the employee's personal salary, whichever is the greater.

If, exceptionally, an employee is required to work planned overtime on a Statutory or Extra Statutory Holiday, remuneration will be at the rate of time + 50% related to Scp 26 or at plain time rates relative to the employee's personal salary, whichever is the greater.

Employees Called Upon to Return to Work:

Employees graded Scp 26 and below who are called upon to return to work outside their normal working hours in certain prescribed emergency situations, including the activation of intruder alarm systems, will receive a minimum payment of 2 hours at the overtime rate appropriate to the particular day, together with the payment of appropriate travelling expenses (including taxi fares, where necessary).

In non-emergency situations, normal overtime or time off arrangements will apply.

Employees paid above Scp 26 who are called upon to return to work in certain prescribed emergency situations, including the activation of intruder alarm systems, would receive a minimum payment per occasion of 2 hours at planned overtime rates. Appropriate travelling expenses are payable, with time in excess of 2 hours being calculated on the basis of the elapsed period between departure from home and arrival back home.

Night Work:

Employees who work at night as part of their working week are entitled to receive an enhancement of 25% for all hours worked between 11pm and 8am subject to the start time being before 6am.

The night work enhancement shall be payable, where appropriate, in addition to the enhanced rates of pay, for work, as part of the normal working week, on Saturday and on Sunday. The night work allowance does not apply to shift workers.

Shift Working:

'Shift Worker' means an employee who works on rotating shifts in immediate succession normally covering a period of twenty four hours or on alternating shifts either in immediate succession or overlapping but covering a portion of twenty four hours only. In both cases, the enhancement is only payable where an employee covers all shifts.

A rotating shift enhancement of 10% will be payable where:

- The total period covered by the shift is 18 hours or more;
- At least four hours are worked between 8pm and 6am;

An alternating shift enhancement of 10% will be payable where:

- The total period covered by the shifts is 11 hours or more;
- There are at least four hours between the starting time of the earliest and latest shifts;
- The number of 'normal office hour' shifts does not exceed one half (i.e. 1 in 2) of the total number of shifts. Normal office hours will be as determined by the Service concerned.
- The shift pattern must vary by at least 33.3% (i.e. 1 in 3 shifts must vary).

Split Duty:

Employees, whose normal daily duty necessitates more than one attendance with a continuous break between attendances of not less than two hours, including the normal break, shall be paid an additional 5p per hour for all hours worked during such spread over duty. The payment shall not be taken into account in calculating payments in respect of overtime and shall not apply to employees called upon to return to work or employees engaged on night work.

Allowances and Expenses

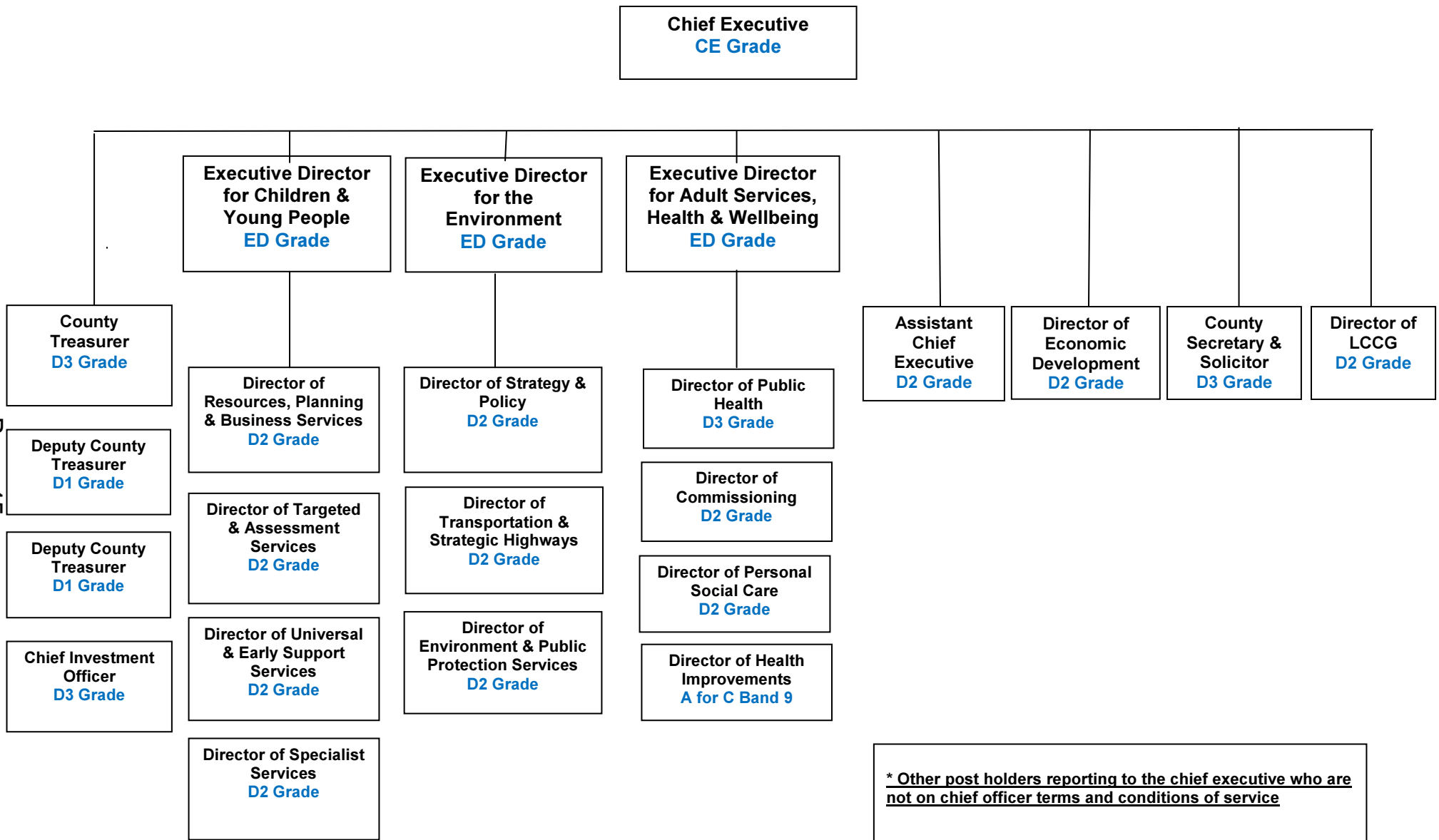
Type of Allowance or Expense	Amount or Rate Payable	Effective Date	Additional Information
Subsistence allowances (L.Ag)	<p>The maximum amounts that can be claimed are as follows :</p> <p>Breakfast - £6.87</p> <p>Lunch - £7.07</p> <p>Dinner/Evening Meal - £11.71</p>	<p>1 April 2014</p> <p><u>Note:</u> These allowances will be increased as from 1 April each year by the annual increase in the Retail Price Index (RPI) published in the preceding November.</p>	<p>Subsistence allowances will be payable to employees who are prevented by their official duties from taking a meal at their home, administrative centre or establishment where they normally take their meals, and thereby incur additional expenditure.</p> <p>Subsistence allowances will only be payable when an individual travels outside the boundaries of Lancashire (for this purpose the boroughs of Blackburn with Darwen and Blackpool will be regarded as being within the Lancashire boundary).</p> <p>Receipts for the full amount paid are required in respect of all claims.</p> <p>See Requirements to Qualify for Meal Allowances guidance for further details.</p>
Meal charges for residential and allied staff (resident and non-resident staff) (N.Ag)	<p>Breakfast - £1.00 Dinner/Main Meals - £1.74 Tea - £0.49 Snack Supper - £0.80 ----- Total - £4.03</p> <p>For ease of administration, these rates may be used on the following basis:</p> <p>Weekly - £28.43 Monthly – £123.22 Per Annum - £1,478.64</p>	<p>1 April 2014</p> <p><u>Note:</u> These charges are reviewed annually in line with movements in the appropriate sectors of the RPI.</p>	<p>The Green Book (Part 3 Paragraph 8) provides that arrangements in the former APT & C and Manual national agreements in relation to (i) free meals and (ii) accommodation and meal charges will remain in place unless and until alternative arrangements are agreed locally.</p>
Overnight allowance	In exceptional circumstances,	1 April 2014	Wherever possible overnight accommodation will be booked and

(including London) (CCAP)	<p>where it is not possible for the County Council to make a direct booking, the actual <u>receipted cost</u> of accommodation, including breakfast, will be reimbursed subject to the following maximum limits:</p> <p>On business in London - £144</p> <p>On business outside London - £125</p>	<p><u>Note:</u> These allowances are linked to the Members' Allowance Scheme agreed by the County Council and will be updated in line with that scheme.</p>	<p>paid for by the County Council either directly or via Business Travel Plus. Normal subsistence allowance arrangements will apply in relation to any meals not provided.</p> <p>See Overnight Allowance guidance for further details.</p>
Expenses where employees are travelling outside Great Britain (CCAP)	<p>See Expenses where Employees are Travelling Outside Great Britain guidance for further details in respect of claiming for accommodation, travel (to/from the country) and hospitality.</p> <p>For all other expenses, including travel whilst abroad and subsistence expenses, a flat rate of £76.00 per day should be claimed and invoices/receipts need not be produced.</p>	<p>Flat rate amount effective from 1 April 2014.</p> <p><u>Note:</u> The flat rate amount will be increased from 1 April each year by the annual increase in the RPI published in the preceding November.</p>	<p>The following arrangements apply in respect of employees travelling outside Great Britain in connection with their official duties.</p> <p>For these purposes travel to Northern Ireland, the Isle of Man and the Channel Islands qualifies for payment of the allowance.</p>
Relocation allowances (CCAP)	<p>Up to a maximum of £8,201 (including VAT).</p> <p>The maximum allowance payable to any appointed employee will be the maximum allowance operating at the date of their appointment.</p>	<p>1 April 2014</p> <p><u>Note:</u> The revised allowance will operate from 1 April each year and will be based on the annual percentage increase in the RPI as at the preceding January.</p>	<p>Chief Officers may authorise the payment of relocation allowances.</p> <p>See Relocation Allowance Scheme for further details.</p>
Mileage allowances (L.Ag)			

<p><u>Business mileage</u></p>	<p><u>Car Users</u></p> <p>45.0p per mile for the first 10,000 business miles in the tax year. 25.0p per mile for each business mile over 10,000 in the tax year.</p> <p><u>Motorcycles</u></p> <p>24.0p per mile.</p> <p><u>Bicycles</u></p> <p>20.0p per mile.</p> <p><u>Car Contract Hire Users</u></p> <p>Variable. See 'Additional Information' (opposite).</p>	<p>1 July 2012</p> <p><u>Note:</u> These rates will be updated in line with any changes to the HMRC rates.</p> <p>1 April 2012</p> <p><u>Note:</u> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><u>Car, Motorcycle and Bicycle Users</u></p> <p>Business mileage is reimbursed at the HMRC recommended rates.</p> <p><u>Car Contract Hire Users</u></p> <p>Business mileage for car contract hire users (including all chief officers) is reimbursed at the HMRC advisory fuel rates for company cars, details of which can be found at https://www.gov.uk/government/publications/advisory-fuel-rates/current-rates.</p> <p>This mileage rate will apply to all mileage undertaken by car contract hire users.</p>
<p><u>Training mileage</u></p>	<p><u>Car Users</u></p> <p>15.0p per mile.</p> <p><u>Motorcycles</u></p> <p>15.0p per mile.</p>	<p>1 April 2013</p> <p><u>Note:</u> This rate will be reviewed on 1 April each year.</p>	<p><u>Training Mileage</u></p> <p>The training mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car.</p>
<p><u>Excess travel mileage</u></p>	<p><u>Car Users</u></p> <p>15.0p per mile.</p> <p><u>Motorcycles</u></p> <p>15.0p per mile.</p>	<p>1 April 2013</p> <p><u>Note:</u> This rate will be reviewed on 1 April each year.</p>	<p><u>Excess Travel Mileage</u></p> <p>Excess travel mileage is the difference in mileage between home and current workbase and home to new workbase. See Excess Travel Policy for further details.</p>

			<p>The excess travel mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car.</p> <p>Excess travel will not be included in the calculation of the business mileage threshold for car users.</p>
Travelling expenses for medical examinations (N.Ag)	See 'Excess Travel Mileage Rate' (above)	1 July 2012	When employees have travelled to attend medical examinations at the Authority's request reimbursement will, depending upon the mode of travel, either be at the appropriate public transport rate or at the prevailing mileage rate applicable for excess travel.
DSE users – reimbursement of cost of eyesight tests and spectacles (CCAP)	<p>The maximum amount of reimbursement is:</p> <p>For eyesight tests - £19.90 For spectacles - £49.00</p>	5 February 2014	See DSE Guidance on Eye and Eyesight Tests .
Allowances for first aid qualifications (CCAP)	<p>For designated first aid representatives - £104 per annum</p> <p>For designated deputy first aid representatives - £52 per annum</p> <p>This allowance will not be payable where the requirement to hold a first aid qualification forms part of an employee's core duties and responsibilities.</p>	N/A	<p>Chief Officers have delegated authority to approve the number of first aiders and the payment of the appropriate First Aid allowance.</p> <p>See Guidance on the Health and Safety (First Aid) Provision.</p>
Payment of prescription charges for inoculation against Hepatitis 'B' (L.Ag)	Cost of prescription/Hepatitis 'B' inoculation.	N/A	Reimbursement of prescription charges is available for inoculation against Hepatitis 'B', on the recommendation of a General Practitioner following medical assessment, for employees whose work brings them into contact with Hepatitis 'B'.
Laundry expenses – income tax relief (CCAP)	Tax relief – claim to be submitted to HM Revenue and Customs.	N/A	Where employees are issued with items of uniform/protective clothing that the County Council expects the employee to launder at regular intervals for reasons of cleanliness, hygiene, safety or

			appearance, the HR Service will provide individual employees with a standard letter (on request) that they can then use to make a claim to HM Revenue and Customs for tax relief.
Long service award (CCAP)	Up to a maximum of £262.00 (excluding VAT)	1 July 2013 <u>Note:</u> This amount will be increased in value every two years in line with inflation.	See Recognition of Long Service Policy for further details.



* Other post holders reporting to the chief executive who are not on chief officer terms and conditions of service

- Head of communication
Grade 14

Agenda Item 6

Meeting of the Full Council Meeting to be held on 26 February 2015

Report submitted by: The Chief Executive

Part A

Electoral Division affected:
All

Members' Allowance Scheme 2015/16 (Appendix A refers)

Contact for further information:
Chris Mather, 01772 533559, Office of the Chief Executive,
Chris.mather@lancashire.gov.uk

Executive Summary

This reports sets out the proposed Members' Allowance Scheme for 2015/16.

Recommendation

The Full Council is asked to approve the 2015/16 Members' Allowance Scheme, as presented at Appendix A.

Background and Advice

The County Council is required to approve its Members' Allowance Scheme before the beginning of each financial year.

The Local Authorities (Members' Allowances) (England) Regulations 2003 require the County Council to have regard to the recommendations of its Independent Remuneration Panel before making or amending the Members' Allowance Scheme.

A meeting of the Panel to consider the Members' Allowance Scheme and make recommendations on any changes to the Full Council would normally take place prior to this meeting. However, the 2003 Regulations provide that "A scheme may make provision for an annual adjustment of allowances by reference to such an index as may be specified by the County Council and where the only change made to a scheme in any year is that effected by such an annual adjustment in accordance with such an index the scheme shall be deemed not to have been amended". The fact that the existing Members' Allowance Scheme provides for an annual adjustment of allowances in accordance with specified indices (as shown below) and given that no other changes are proposed, the Full Council can approve a Scheme for 2015/16 without a meeting of the Panel having to be convened.

	Allowance	Index
1	Basic allowance, Special Responsibility Allowance and Carers/dependents allowance	Annual uprating on 1 April. This uprating shall equate to the average annual percentage increase in employees' pay under the National Joint Council for Local Government Services pay structure.
2	Overnight Accommodation, Travel Abroad and Subsistence allowances	To be increased annually with effect from 1 April in every year in line with the Retail Price Index (All Items) published in November of the preceding year.
3	Motor car, motor cycle, and bicycle travelling allowances	To be revised annually with effect from 1 April in every year in accordance with the maximum allowance for Income Tax purposes as determined by HM Revenue and Customs.

Attached at Appendix A is the proposed Members' Allowance Scheme for 2015/16. The Full Council will note that the allowances mentioned at 1 above have been uprated in accordance with employee pay settlement of 2.2%. The allowances mentioned at 2 above have been increased by the November 2014 Retail Price Index of 2.0% but the allowances mentioned at 3 above remain unchanged as the HMRC rates have not changed from 2014/15.

Consultations - N/A

Implications:

This item has the following implications, as indicated:

Risk management

No significant risks have been identified

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Directorate/Tel
N/A		

Lancashire County Council

Members' Allowance Scheme

Lancashire County Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003, hereby makes the following Scheme:

1.0 This Scheme shall have effect for the period 1 April 2015 to 31 March 2016 and subsequent years.

2.0 In this Scheme

"Councillor" means an elected member of Lancashire County Council.

"Co-opted member" means a person other than a councillor who is appointed to serve on a Council Committee or Sub-Committee.

"Year" means the twelve months commencing 1st April.

"Meetings" means a meeting of the Full Council or a body of Members formally established by the Full Council, the Leader of the County Council, the Cabinet or a Council Committee.

3.0 In this scheme, the total allowances shall consist of Basic Allowances and Special Responsibility Allowances. (For the avoidance of doubt, Attendance Allowance shall not be payable under this Scheme).

3.1 These total allowances shall be updated annually in line with employee percentage pay increases as described in more detail in Schedule 'A'.

4.0 Basic Allowance

4.1 Subject to paragraph 7.0 below, an equal Basic Allowance of £10,362 shall be paid to every councillor. The amount of Basic Allowance is shown in paragraph 1.0 of Schedule 'A' of this Scheme.

4.2 This Basic Allowance is intended to recognise the time commitment of all councillors including such inevitable calls on their time as meetings with officers and constituents, and political group meetings. It is also intended to cover incidental costs such as the use of councillors' homes.

5.0 Special Responsibility Allowance

5.1 Subject to paragraph 7.0 below, each councillor or co-opted member who holds a special responsibility as defined within the Regulations and specified within this Scheme, will receive a Special Responsibility Allowance as shown in paragraph 2.1 of Schedule 'A' of this Scheme. A councillor may not receive more than one Special Responsibility Allowance.

6.0 Renunciation

6.1 A councillor may elect to forego any part of his/her entitlement to an Allowance under this Scheme. Such election shall be in the form of a written notice delivered to the Chief Executive.

7.0 Adjustments to Entitlements in Year

7.1 The provisions of this paragraph apply in relation to the entitlement of a councillor to Allowances where, in the course of a year:

- (a) The scheme is amended.
- (b) A person becomes, or ceases to be, a councillor.
- (c) A councillor accepts or relinquishes a special responsibility in respect of which a Special Responsibility Allowance is payable.
- (d) A councillor is suspended or partially suspended from his/her responsibilities or duties as a Member of the County Council.

7.2 If, during the year, the Scheme is amended and this results in a change to a councillor's entitlement to Special Responsibility Allowance and/or Basic Allowance, the actual entitlement shall be based on:

- (a) A proportion of the original annual Allowance based on the number of days up to the date of amendment plus
- (b) A proportion of the revised annual Allowance based on the number of days from the date of amendment.

7.3 When the term of office of a councillor either begins and/or ends during the course of a year, the entitlement to Basic Allowance shall be based on the number of days in office during that year. Similar pro rata entitlements will apply in situations where Basic Allowance is amended under sub-paragraph 7.2 above.

7.4 Where, for a part of the year, a councillor has such special responsibilities as specified in this Scheme, the entitlement to Special Responsibility Allowance shall be based on the number of days during that year that the councillor has held such special responsibilities, such entitlement being pro rata to a full year. Similar pro rata entitlement will apply in situations where Special Responsibility Allowances have been amended under sub-paragraph 7.2 above.

7.5 Where a councillor is suspended or partially suspended from his/her responsibilities or duties as a Member of the County Council in accordance with Part III of the Local Government Act 2000 (or Regulations made under that Part), the part of the Basic, Special Responsibility, Travel and Subsistence Allowances payable in respect of the period of suspension may be withheld by the County Council.

8.0 Carers/Dependants Allowance

8.1 Subject to paragraphs 8.2 and 8.3, a carers/dependants allowance may be claimed in respect of named children aged 16 or under or in respect of other named dependants where there is medical or social evidence that care is required.

8.2 Payment of carers/dependants allowance shall:

- (a) Be based on actual receipted expenditure subject to a maximum hourly rate and a maximum annual allowance, as specified in paragraph 3 of Schedule 'A' of this Scheme.
- (b) Not be made where a Councillor already receives a carer's allowance from the Department for Works and Pensions.
- (c) Not be payable where the carer is a parent or is a member of the household.
- (d) Not be payable unless the carer has been cleared by the Criminal Records Bureau.

8.3 The carers/dependants allowance may be claimed where the actual expenditure has been incurred in connection with the approved duties that apply to claims for travel and subsistence as detailed in Schedule 'D' of this Scheme.

9.0 Co-optees Allowance

9.1 Co-opted members shall receive an allowance, which equates to travel and subsistence expenses they have actually and necessarily incurred calculated under the rules set out in this scheme, in accordance with paragraphs 10 and 11.

10.0 Method of Payment

- 10.1 Payments of Basic Allowance and Special Responsibility Allowance shall be made monthly on the last working day of each month. The monthly amount payable shall be one-twelfth of the annual allowance(s) specified in this Scheme and subject to paragraph 7.0 above.
- 10.2 Separately, individual claims for carers/dependants allowances, travel and subsistence shall be made on a monthly basis and shall be paid on the last working day of the following month. Claims **must** be submitted via the electronic Members' Allowances System as soon as possible at the end of each month. Claims may be submitted by non-electronic means (by an agreed paper based method) only in exceptional circumstances approved by the County Secretary and Solicitor. Claims **must** be submitted within two months of the period to which they relate or a payment will not be made unless it is approved by the Chief Executive, good cause having been shown by the member submitting the late claim.
- 10.3 Each claim shall be certified by the councillor or co-opted member that he/she has **actually and necessarily incurred** the expenditure claimed in the performance of approved duties as defined in Schedule D and that he/she will not make any other claim in respect of that expenditure other than under this Scheme.

11.0 Travelling and Subsistence Allowances

- 11.1 A councillor or co-opted member shall be entitled to receive travelling and/or subsistence allowances at the rates specified in Schedule C.
- 11.2.1 Subsistence Allowances are payable where such expenditure has been **actually and necessarily incurred** in the performance of an approved duty as defined in Schedule D where a councillor or co-opted member is absent from their normal place of residence.
- 11.2.2 When claiming subsistence allowances, councillors should identify all approved activities attended in the period of absence recorded, including any political group meetings
- 11.3 A councillor or co-opted member may claim **up to** the maximum amounts set out in Schedule C where expenditure has been **actually and necessarily incurred** when absent from home for the periods stated.
- 11.4 Appropriate receipts **must** be obtained and retained in respect of any claims made by a councillor or –co-opted member for the payment of subsistence allowances or reimbursement of public transport and taxi fares, car parking fees and other incidental expenses.

- 11.5 Receipts must be retained for 3 years following the financial year in which the expenses were incurred.
- 11.6 A councillor or co-opted member must produce his/her receipts if required by claim processing officers, as well as internal or external auditors.
- 11.7 Each councillor or co-opted member shall agree with the County Secretary and Solicitor a fixed mileage for journeys between his/her home address and County Hall for the purpose of verifying travel expense claims. The schedule of agreed and approved mileages will be updated following the County Secretary and Solicitor being notified of a change of address.

12. Scheme Amendments

- 12.1 The amounts specified in paragraphs 1.0, 2.0 and 3.0 (basic allowance, special responsibility allowance and carers/dependents allowance respectively) of Schedule A are subject to an annual uprating on 1 April. This uprating shall equate to the average annual percentage increase in employees' pay under the National Joint Council for Local Government Services pay structure.
- 12.2 Overnight Accommodation, Travel Abroad and Subsistence allowances shall be increased annually with effect from 1st April in every year in line with the Retail Price Index (All Items) published in November of the preceding year.
- 12.3 Motor car, motor cycle, and bicycle travelling allowances shall be revised annually with effect from 1st April in every year in accordance with the maximum allowance for Income Tax purposes as determined by HM Revenue and Customs.

Lancashire County Council
Members' Allowance Scheme
Schedule 'A'

1.0 Basic Allowance

An annual Basic Allowance of £10,362 is payable to each councillor.

2.0 Special Responsibility Allowance

2.1 Based on an annual Special Responsibility Allowance total of £352,052, the actual individual Allowances are detailed in Schedule 'B'. The amounts quoted in Schedule 'B' are in respect of a full year term of office.

3.0 Carers/Dependants Allowance

3.1 Payment of a Carers/Dependants Allowance, as provided for in Paragraphs 8.1 to 8.3 of this Scheme, shall be based on actual receipted expenditure subject to a maximum hourly rate of £7.12. Total payments in any one year shall not exceed £1,490.

4.0 Travelling and Subsistence Allowances

The amounts payable by way of Travelling and Subsistence Allowances including Overnight Accommodation, Day Subsistence and Travel Abroad shall be subject to the rates specified in Schedule 'C' of this Scheme.

Lancashire County Council
Members' Allowance Scheme
Schedule 'B' - Special Responsibility Allowances

Position		Amount £	% of Leader	
Leader		29,590	100.00	
Deputy Leader		20,713	70.00	
Cabinet	6 @	16,274	55.00	
Lead Members	5 @	8,137	27.50	
Chairs	Overview & Scrutiny	3 @ 7,397	25.00	
	Corporate Parenting Board	7,397	25.00	
	Development Control	8,877	30.00	
	Pension Fund	7,397	25.00	
	Regulatory	7,397	25.00	
	Audit and Governance	2,959	10.00	
	Corporate Complaints	7,397	25.00	
	Lancs County Dev Ltd	7,989	27.00	
	Champion	Older People	5,178	17.50
		Young People	5,178	17.50
		Parish Councils	5,178	17.50
		Disabled People	5,178	17.50
		Armed Forces Veterans	5,178	17.50
Digital Inclusion**		-	-	
Deputy Chairs	Overview & Scrutiny *	3 @ 3,477	47.00	
Majority Group	Secretary	4,439	15.00	
	Whip	4,439	15.00	
Largest Opposition Group	Leader	16,274	55.00	
	Deputy Leader	8,137	27.50	
	Secretary	2,959	10.00	
	Whip	2,959	10.00	
Second Opposition Group	Leader	8,877	30.00	
	Deputy Leader	4,439	15.00	
	Secretary	1,480	5.00	
	Whip	1,480	5.00	

* This is the % of the amount paid to the chair of O & S Committees

** No SRA is paid in respect of this position

Lancashire County Council

Members' Allowance Scheme

Schedule 'C' – Travelling & Subsistence Allowances

Travelling by Private Vehicle

The rate for travel by a councillor or co-opted member in his/her own private vehicle, or one belonging to a member of the family or otherwise provided for the councillor or co-opted member's use, shall not exceed:

Type of vehicle	First 10,000 miles	Above 10,000 miles
Cars and vans	45p	25p
Motorcycles	24p	24p
Cycles	20p	20p

In addition to the rates detailed above, the actual and receipted expenditure incurred on public transport, taxis, tolls, ferries or parking fees, including overnight garaging may be claimed.

Overnight Accommodation

Where the nature of the duties being undertaken result in a councillor or co-opted member being absent from his/her usual place of residence, overnight accommodation will be booked and paid directly by the County Council.

In exceptional circumstances where it is not possible for the County Council to make a direct booking on behalf of a councillor or co-opted member, the actual receipted cost of accommodation, including breakfast, will be reimbursed to the councillor or co-opted member. Such reimbursement will be subject to a maximum allowance per night of £147 for London and £128 elsewhere in the UK.

Day Subsistence

A councillor or co-opted member may claim **up to** the following maximum amounts when absent for the periods stated below from their normal place of residence:

- | | | | |
|-----|---------------------------------|---|--------|
| (a) | a period less than 4 hours | - | £6.43 |
| (b) | a period between 4 and 8 hours | - | £12.79 |
| (c) | a period between 8 and 12 hours | - | £25.60 |
| (d) | a period in excess of 12 hours | - | £38.37 |

Actual expenditure in excess of £38.37 may be reimbursed subject to the production of receipts.

Travel Abroad

For councillors or co-opted members travelling outside Great Britain on approved duties (including, for the purpose of this section, travelling in Northern Ireland), a flat daily rate of £71 will be provided. This allowance is intended to cover costs incurred on meals and transport whilst actually abroad. An unused portion of this allowance, say in respect of meals provided at no cost to the councillor or co-opted member, must be returned to the County Council.

Lancashire County Council

Members' Allowance Scheme

Schedule 'D' – Travel & Subsistence – Approved Duties

(see also Part B of the Guidance Notes to the Members' Allowance Scheme)

Appropriate travel and subsistence allowances may be claimed in accordance with the above details where such travelling and/or subsistence has been undertaken in connection with one or more of the following duties:

- (a) The attendance at a meeting of the Authority or of any Committee, Sub-Committee, Task Group, Working Group, Board, Forum, Panel of the Authority, or of any body to which the Authority makes appointments or nominations, or of any Committee or Sub-Committee of such a body.
- (b) The attendance at any other meeting, the holding of which is authorised by the Authority, or a Committee or Sub-Committee of the Authority, or a joint Committee of the Authority and one or more local authority within the meaning of section 270(1) of the Local Government Act 1972, or a Sub-Committee of such a joint committee provided that:
 - (i) where the Authority is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited, or
 - (ii) if the Authority is not so divided, it is a meeting to which at least two members of the Authority have been invited.
- (c) The attendance at a meeting of any association of authorities of which the Authority is a member.
- (d) The attendance at a meeting of the executive or a meeting of any of its Committees, where the Authority is operating executive arrangements.
- (e) For the purposes of paragraphs (a) to (d) above, claims for travel and subsistence can only be made in respect of attendance at meetings of a Committee, Sub-Committee or other body of which the Councillor claiming is a Member. However, any Councillor can claim for attendance at a meeting of the Cabinet.
- (f) The performance of any duty in pursuance of any Procurement Rule under section 135 of the Local Government Act 1972 requiring a Member or Members to be present while tender documents are opened.

- (g) The performance of any duty in connection with the discharge of any function of the Authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
- (h) The performance of any duty in connection with arrangements made by the Authority for the attendance of pupils at any school approved for the purposes of section 342 (approval of non-maintained special schools) of the Education Act 1996.
- (i) The carrying out of any other duty approved by the Authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the Authority or any of its Committees or Sub-Committees. All duties which derive from a position of responsibility for which a Member receives a special responsibility allowance are approved duties for the purpose of this paragraph.

**Meeting of the County Council
Meeting to be held on 26 February 2015**

Report submitted by: The County Treasurer

Part A

Electoral Division affected:
All

Financial Threshold for Key Decisions

Contact for further information:

Joan Grant, 01772 534776, County Treasurer's Directorate

joan.grant@lancashire.gov.uk

Executive Summary

The Council is required, each year, to specify the financial threshold above which "domestic" decisions (affecting the internal workings of the Authority) should be treated as Key Decisions as defined in Standing Order 25(1)(b).

Recommendation

It is recommended that the Full Council confirms that the financial threshold for Key Decisions, for the purposes of Standing Order 25(1)(b), should remain at £1.4m for 2015/16.

Background and Advice

Standing Order 25(1) defines a Key Decision of the Cabinet/Cabinet Member for the purpose of the requirement for the County Council to publish details of a Key Decision at least 28 clear days before the decision is due to be taken.

A key decision means an executive decision which is likely:

- (a) to result in the council incurring expenditure which is, or the making of savings which are significant having regard to the council's budget for the service or function which the decision relates; or
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the council.

In the case of (b), a domestic decision with a significant financial impact on the County Council, the current threshold is £1.4m.

The Council is required, by number 13 in its list of functions in the Constitution, to “specify, before the beginning of each financial year, the amounts of expenditure and savings that shall be regarded as significant for the purposes of Standing Order 25(1)(b).”

The County Treasurer has, in consultation with the Chief Executive, reviewed the financial threshold for key decisions. The current threshold (£1.4m) was approved by the Full Council in 2013. The recommendation arising from the review is that the threshold should remain at this level. It is proposed, therefore, that the threshold for 2015/16 should be £1.4m.

Consultations

The County Treasurer has consulted with the Office of the Chief Executive.

Alternative options to be considered

N/A

Implications:

This item has the following implications:

Risk Management

No significant risks have been identified

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Ext
LCC Constitution		Chris Mather, Office of the Chief Executive 01772 53559

Reason for inclusion in Part II, if appropriate

N/A

**Meeting of the Full Council
Meeting to be held on 26 February 2015**

Report submitted by: The Chief Executive

Part A

Electoral Division affected:
None

Appointment of Chair and Deputy Chair – Audit and Governance Committee

Contact for further information:
Chris Mather, 01772 533559, Office of the Chief Executive,
Chris.mather@lancashire.gov.uk

Executive Summary

This report relates to the appointment of the chair and deputy chair of the Audit and Governance Committee.

Recommendation

The Full Council is asked to approve the appointment of:

- i. County Councillor Clare Pritchard to replace County Councillor Terry Brown as chair of the Audit and Governance Committee with immediate effect.
- ii. County Councillor Terry Brown to replace County Councillor Darren Clifford as deputy chair of the Audit and Governance Committee with immediate effect.

Background and Advice

The Labour Group has indicated that it wishes to replace:

- County Councillor Terry Brown with County Councillor Clare Pritchard as chair of the Audit and Governance Committee.
- County Councillor Darren Clifford with County Councillor Terry Brown as deputy chair of the Audit and Governance Committee.

If approved, the proposed changes would take immediate effect.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

No significant risks have been identified.

**Local Government (Access to Information) Act 1985
List of Background Papers**

Paper	Date	Contact/Directorate/Tel
-------	------	-------------------------

N/A

Reason for inclusion in Part II, if appropriate

N/A

Agenda Item 9

Meeting of the Full Council Meeting to be held on 26 February 2015

Report submitted by: The Chief Executive

Part B

Electoral Division affected:
None

Report of the Cabinet (Annex 1 refers)

Contact for further information:
Dave Gorman, (01772) 534261, Office of the Chief Executive,
dave.gorman@lancashire.gov.uk

Executive Summary

The report of Cabinet from its meetings on 8 January 2015 and 5 February 2015.

Recommendation

That the report of the Cabinet, now presented, be noted.

List of Background Papers

Paper	Date	Contact/Directorate/Tel
Agenda and Minutes of Cabinet	8 January 2015 5 February 2015	Dave Gorman, Office of the Chief Executive, (01772) 534261

Reason for inclusion in Part II, if appropriate

N/A

Meeting of the Full Council - 26 February 2015

Report of the Cabinet Meeting held on 8 January 2015

The agenda and minutes of the meeting may be viewed on the County Council's website at the following link:

<http://council.lancashire.gov.uk/mgCommitteeDetails.aspx?ID=122>

Money Matters - The 2015/16 Budget and Financial Strategy 2016/17 to 2017/18

Cabinet considered a report providing updates on matters affecting the Council's financial position, including the details of the Local Government Finance Settlement for 2015/16, which was announced on 18 December 2014.

The resolutions of the Cabinet can be viewed at:

<http://council.lancashire.gov.uk/documents/s54908/Budget%20Resolutions.pdf>

Report of the Cabinet Meeting held on 5 February 2015

The agenda and minutes of the meeting may be viewed on the County Council's website at the following link:

<http://council.lancashire.gov.uk/mgCommitteeDetails.aspx?ID=122>

Money Matters - Update on the County Council's Financial Position for 2014/15

Cabinet considered the budget monitoring report for 2014/15 which reflected the position as at 31 December 2014.

Cabinet:

- (i) Noted the forecast position for the 2014/15 revenue budget and capital investment programme;
- (ii) Considered the appropriate use of the funds arising from the one off extraordinary position on the capital financing budget and the release of £1.7m from the Strategic Investment Reserve, as part of the Cabinet's overall consideration of the 2015/16 to 2017/18 revenue position and future capital investment programme.

**Meeting of the Full Council
Meeting to be held on 26 February 2015**

Report submitted by: The County Secretary and Solicitor

Part B

Electoral Division affected:
All

Report of Urgent Key Decisions

Contact for further information:
Janet Nuttall, (01772) 533110, Office of the Chief Executive,
Janet.nuttall@lancashire.gov.uk

Executive Summary

Urgent Key Decisions taken by the Leader of the County Council and the Deputy Leader of the County Council, the Cabinet Member for Highways and Transport and the Cabinet Member for Children, Young People and Schools during the preceding three months.

Recommendation

That the Urgent Key Decisions, as now presented, be noted.

It is a requirement of Standing Order 28 that any urgent key decisions taken, must be reported to the Full Council for information on a quarterly basis. The following urgent key decision have been taken by the Leader of the County Council and the Deputy Leader of the County Council, the Cabinet Members for Highways and Transport and the Cabinet Member for Children, Young People and Schools.

1) Urgent Key Decision taken by the Leader of the County Council and the Deputy Leader of the County Council

The following decision was taken on 2 December 2014:

Lancashire Advanced Engineering and Manufacturing Enterprise Zone

The Leader of the County Council and the Deputy Leader of the County Council approved the recommendations as set out in the full report.

This decision should be implemented immediately for the purposes of Standing Order 34(3) as any delay could adversely affect the execution of the County Council's responsibilities. The Samlesbury site of the Lancashire Enterprise Zone site has to be delivered to tight timescales in order to meet national and local economic development priorities.

This report was dealt with under Part II. The full report is not available for publication as it contains exempt information as defined in Paragraphs 3 and 5 of Part I of Schedule 12A to the Local Government Act 1972. The report contains information relating to the financial or business affairs of any particular person (including the authority holding that information); and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2) Urgent Key Decision to be taken by the Cabinet Member for Highways and Transport

The following decision was taken on 8 January 2015:

Supply and Application of Surface Dressing

The Cabinet Member for Highways and Transport approved the recommendation as set out in the full report.

This decision should be implemented immediately for the purposes of Standing Order 34(3) as any delay could adversely affect the execution of the County Council's responsibilities.

This report was dealt with under Part II. The full report is not available for publication as it contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

3) Urgent Key Decision taken by the Cabinet Member for Children, Young, People and Schools

The following decision was taken on 16 January 2015:

Schools Budget 2015/16

The Cabinet Member for Children, Young People and Schools

- (i) Noted the report, including the 2015/16 Dedicated Schools Grant (DSG) allocation, the final budget proposals for each funding block and any comments made by the Lancashire Schools Forum;

- (ii) Approved the estimated level of Dedicated Schools Grant for 2015/16, on which to base the Schools Budget;
- (iii) Authorised the County Treasurer to submit the final Schools Block budget proforma for 2015/16 to the EFA by 20 January 2015, on the basis set out in this report;
- (iv) Approved the 2015/16 budgets for the Early Years and High Needs Blocks; and
- (v) Approved that the Dedicated Schools Grant Reserve underwrite the uncertainties around the Early Years and High Needs Blocks.

This decision should be implemented immediately for the purposes of Standing Order 34(3) as any delay could adversely affect the execution of the County Council's responsibilities. The reason for this is to ensure that the necessary proforma can be submitted as required to the Education Funding Agency by 20 January 2015.

**Local Government (Access to Information) Act 1985
List of Background Papers**

Paper	Date	Contact/Directorate/Tel
Report to the Leader of the County Council	2 December 2014	Stuart Benson, Office of the Chief Executive, (01772) 534022
Report to the Cabinet Member for Highways and Transport	8 January 2015	Stuart Benson, Office of the Chief Executive, (01772) 534022
Report to the Cabinet Member for Children, Young People and Schools	16 January 2015	Joanne Mills, Office of the Chief Executive, (01772) 534284

Reason for inclusion in Part II, if appropriate

N/A

Meeting of the Full Council
Meeting to be held on 26 February 2015

Report submitted by: The Chief Executive

Part B

Electoral Division affected:
All

Report of the Overview and Scrutiny Committees
(Annexes 1 and 2 refer)

Contact for further information:
Janet Mulligan, 01772 533361, Office of the Chief Executive
Janet.mulligan@lancashire.gov.uk

Executive Summary

The most recent cycle of meetings of the Overview and Scrutiny Committees took place in the period December 2014 to January 2015.

The reports of the committees are attached as Annexes 1 and 2 as follows:

Annex 1 - Scrutiny Committee
Annex 2 - Health Scrutiny Committee

There have been no meetings of the Education Scrutiny Committee during this period.

Copies of the agenda and reports considered by the committee, together with minutes of the relevant meeting may be viewed on the County Council's web site at the following link:

<http://council.lancashire.gov.uk/mgListCommittees.aspx#scrutiny?bcr=1>

Officers specified in each report can also be contacted for further information.

The Executive Scrutiny Committee met on 7 January and 3 February to consider all reports considered by Cabinet and Key Decisions by individual cabinet members.

Recommendation

That the report of the Overview and Scrutiny Committee, as now presented, be noted.

Background Papers

Paper	Date	Contact/Directorate/Ext
Agenda and minutes: Scrutiny Committee	05 December 2014 16 January 2015	Janet Mulligan/Office of the Chief Executive/33361
Health Scrutiny Committee	13 January 2015	
Executive Scrutiny Committee	07 January 2015 03 February 2015	

Reason for inclusion in Part II, if appropriate

N/A

Meeting of the Full Council – 26 February 2015

Report on the Scrutiny Committee Meetings held on 5 December 2014 and 16 January 2015

Chair: County Councillor Bill Winlow

The agenda and minutes of the meetings may be viewed on the County Council's web site at the following link:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?Committeeld=120>

5 December 2014

Lancashire Safeguarding Children Board - Early Help Thematic Inspection Findings, LSCB Annual Report, Information-Sharing Pilot and Child Sexual Exploitation

The Scrutiny Committee had asked Lancashire Safeguarding Board (LSCB) representatives to present a number of items:

1. Lancashire Safeguarding Board (LSCB) Annual Report
2. Findings from a thematic practice inspection of Early Help Services
3. Update about the information-sharing pilot between the NHS and Children and Young People Directorate.

The Committee had also requested information about work in Lancashire around the issue of child exploitation, and a report about this was also provided.

It was agreed that:

- i. The annual report be noted.
- ii. The committee note that the LSCB and partner organisations in Lancashire continue to have a positive and effective approach to Child protection and Child Sexual Exploitation.
- iii. The LSCB annual report and CSE campaign report be circulated to all councillors.
- iv. Further reports to Scrutiny be provided as appropriate.

Work Plan and Task Group Update

A report was presented summarising the work to be undertaken by the Committee in the coming months, including an update on task group work.

16 January 2015

Domestic Abuse - Collaboration with Health Services

A report was presented to the Committee on Domestic Abuse and collaboration with Health Services. The report provided an update to an earlier report to Scrutiny Committee about the partnership response to domestic abuse, particularly concentrating on working with NHS organisations.

It was agreed that:

- i. A joint meeting with Health Scrutiny and Children and Young People be held in one year's time with the Scrutiny Committee.
- ii. The Committee arrange to visit the Multi-Agency Safeguarding Hub (MASH) in the next few months.

Work Plan and Task Group Update

A report was presented summarising the work to be undertaken by the Committee in the coming months, including an update on task group work.

It was agreed that:

- i. The work plan be updated to include items on adult social care transformation; services for adults with learning disabilities; and bus services and subsidies.
- ii. A visit to the Multi Agency Safeguarding Hub (MASH) be added to the work plan, as agreed under the previous item

Meeting of the Full Council – 26 February 2015

Report on the Health Scrutiny Committee meeting on 13 January 2015

Chair: County Councillor Steven Holgate

The agenda and minutes of the meeting may be viewed on the County Council's web site via the following link:

<http://council.lancashire.gov.uk/mgCommitteeDetails.aspx?ID=182>

Self-Care - Asset Based Approaches and Health Literacy

As part of the ongoing scrutiny of the 'Living Well' element of the Health and Wellbeing Strategy, the Committee was provided with a report which presented an overview of self-care, particularly concentrating on asset based approaches and health literacy.

Report of the Health Scrutiny Committee Steering Group

On 7 November the Steering Group had met to discuss the new congenital heart disease review prior to consultation. A summary of the meeting was at Appendix A to the report presented.

On 28 November the Steering Group had met with officers from West Lancashire CCG and Southport and Ormskirk Hospital Trust to discuss breast services at Southport Hospital. A summary of the meeting was at Appendix B to the report presented.

Work Plan

The draft work plan for both the Health Scrutiny Committee and its Steering Group, including current Task Group reviews was presented.

It was reported that the Director for Public Health and Cabinet Member for Health and Wellbeing had been invited to the next meeting of this Committee in March to present a report on the overall health and wellbeing agenda with a focus on the Health and Wellbeing Board and the Better Care Fund plan.

It was also reported that a piece of work about the performance of the ambulance service in Rossendale was being carried out and that the findings and conclusions would be shared with the Committee.

It was confirmed that Occupational Therapy Service provision would be on a future agenda of the Steering Group and the work plan would be updated to reflect this.

**Meeting of the Full Council
Meeting to be held on 26 February 2015**

Report submitted by: The Chief Executive

Part B

Electoral Division affected:
All

**Report of the Audit and Governance Committee
(Annex 1 refers)**

Contact for further information:
Cath Rawcliffe, Tel: (01772) 533380, Office of the Chief Executive
cath.rawcliffe@lancashire.gov.uk

Executive Summary

The report of the Audit and Governance Committee from its meeting held on 26 January 2015 is attached at Annex 1.

Copies of the agenda reports considered by the committee are available to view via the following link:

<http://council.lancashire.gov.uk/ieListDocuments.aspx?CId=728&MId=3007&Ver=4>

Councillors can also contact the officers specified in each report for further information about each item.

Recommendation

That the report of the Audit and Governance Committee, as now presented, be noted.

**Local Government (Access to Information) Act 1985
List of Background Papers**

Paper	Date	Contact/Directorate/Ext
Agenda & Minutes of the Audit and Governance Committee	26 January 2015	Cath Rawcliffe, Office of the Chief Executive, Tel: 01772 533380

Report of the Audit and Governance Committee - Matters for Information

The following matters were considered by the Audit and Governance Committee at its meeting on 26 January 2015:

1. Accounts of Lancashire County Developments Limited 2013/14

A report was presented by Beryl Rhodes, head of finance (Commercial and Central) on the 2013/14 audited Statement of Accounts for Lancashire County Developments Limited (LCDL).

Key points in the financial statement for 2013/14 were:

1. The LCDL Group pre-tax profit was £1,065,669 for the period.
2. The major reasons for this profit were a £200k reduction in provisions for investments and a lower than anticipated expenditure on economic development projects. The reduction in investment provision resulted mainly from change in the profile of the investments being made.
3. The company's property portfolio was revalued at 31 March and this gave rise to an increase in value from £25.9m to £31.4 million. This reflected the completion of the new building at Leyland following the fire and a small rise in existing buildings on all sites.
4. The balance sheet net worth of the LCDL Group of companies totalled £39,629,889 as at 31 March 2014.

Decision Taken: That the 2013/14 Statement of Accounts for Lancashire County Development Ltd, as now presented, be noted.

2. Update on Treasury Management Activity

Mike Jensen, Chief Investment Officer, presented an update report on a review of Treasury Management activities in 2014/15 which presented a very positive picture for Treasury Management.

This review included:

- A review of the economic conditions during 2014/15
- An assessment of the appropriateness of treasury strategy within the current and predicted economic environment.
- Borrowing activity
- Investment activity
- Actual results measured against 2014/15 Prudential indicators and Treasury Management Indicators
- An update on the Council's investment in Landsbanki Is.

It was noted that current market conditions continued to enabled the County Council to take advantage of short term market borrowing

Decision Taken: That the Committee note the review of treasury management activities in 2014/15 for the period 1 September to 30 November 2014.

3. Internal Audit Service Progress Report

Ruth Lowry, chief internal auditor, presented the Internal Audit Progress Report. The report highlighted a number of key areas of work undertaken by the Internal Audit Service during the period to 31 December 2014.

It was noted that work had begun to address the corporate information governance arrangements, central procurement, initial assessment for direct payments in the Adult Services Health and Wellbeing Directorate and the case file audit process within Children and Young People's Directorate.

Decision Taken: That the Committee note the Internal Audit Service Progress Report for the nine months to 31 December 2014.

4. CIPFA Code of Practice - Managing the Risk of Fraud and Corruption

Ian Rushworth, Audit Manager, presented a report on CIPFA Code of Practice – Managing Risk of Fraud and Corruption.

The committee noted that the council already had adequate and effective counter fraud arrangements in place and as such was compliant with the vast majority of the CIPFA code. However, three areas for recommendation had been identified which could be strengthened by these arrangements.

Decision Taken: The Committee note the report and approve that:

1. A statement is included in the annual governance statement that LCC had adopted a response appropriate to the fraud and corruption risks it faces and a reference is made to the CIPFA Code of Practice;
2. LCC review its anti-fraud policy and strategy by the end of March 2015;
3. LCC staff in key roles complete a fraud awareness e-learning course.

5. External Audit - Lancashire County Council Update Report

Karen Murray, Director for Grant Thornton, presented the External Audit Update Report to the Committee. The report included progress to date with the 2014/15 audit of accounts, Value for Money (VfM) conclusion and other work.

The Committee was informed that the scope of External Audit's work to inform the 2014/15 VfM conclusion comprised considering the County Council had appropriate arrangements in place for:

- Securing financial resilience; and
- For challenging how it secured economy, efficiency and effectiveness

It was reported that intelligence was being gathered by External Audit at this stage and there were no conclusions yet on VfM.

Decision Taken: The Audit and Governance Committee note the report.

6. External Audit - Lancashire County Council Annual Audit Letter

Karen Murray, Director for Grant Thornton, presented the report on the External Audit's Annual Audit Letter. The Annual Audit Letter summarised the outcome of External Audit's work in 2013/14. It included the key messages in relation to the financial statements audit and audit opinion, and Value for Money conclusion.

The Annual Audit Letter had been reported to Cabinet in December 2014.

Resolved: That the External Auditor's Annual Audit Letter as now presented be noted.

**Meeting of the Full Council
Meeting to be held on 26 February 2015**

Report submitted by: The Chief Executive

Part B

Electoral Division affected:
All

**Report of the Lancashire Combined Fire Authority
(Annex 1 refers)**

Contact for further information:

Diane Brooks, 01772 866720, Lancashire Fire & Rescue Service
dianebrooks@lancsfirerescue.org.uk

Executive Summary

Annex 1 sets out a summary report of the Lancashire Combined Fire Authority following its meetings on the 15 December 2014 and 16 February 2015. These are now presented to the Full Council for information.

Recommendation

That the report of the Lancashire Combined Fire Authority, as now presented, be noted.

Background Papers

Paper	Date	Contact/Directorate/Ext
Proceedings of the Lancashire Combined Fire Authority.	15 December 2014 16 February 2015	Diane Brooks Lancashire Fire & Rescue Service

Reason for inclusion in Part II, if appropriate

N/A

Report of the Lancashire Combined Fire Authority 15 December 2014 and 16 February 2015

15 December 2014

1. Performance Report and Action Plan – Outcomes 2014

At the CFA Planning Committee meeting on 17 November 2014, Members considered the outcomes of the Performance Report and Action Plan 2014 consultation.

The Planning Committee considered the adequacy of the consultation exercise surrounding the proposals and the conclusions post-consultation and Members duly determined that the consultation had been adequate in scale and scope and endorsed the adoption of the revised Public Consultation Strategy. Members did however have opposing views regarding the proposal to vary the scale and structure of the Home Fire Safety Check Service according to an individual's fire risk and resolved to defer for final decision to the full Authority.

Preventing fires and casualties is an Authority priority and Lancashire Fire & Rescue Service (LFRS) has provided a home fire safety check service to any resident in Lancashire, irrespective of the fire risk at the property. A comprehensive review of the service showed that although Lancashire was delivering 1 in 8 of all Home Fire Safety Checks (HFSC's) in England, the casualty rates (the number of people killed or injured in fires) although they demonstrated significant reductions, was no better than many other Services who delivered far fewer HFSCs. The proposal was to vary the scale and structure of the HFSC service according to an individual's fire risk; targeting the most effort and resource toward those who were most vulnerable to fire risk (such as the elderly and homes of multiple occupancy). While those with lower risk would still receive a Home Fire Safety Check service, this would in some cases be delivered in a different way to the traditional visit, for example digitally on the website and by signposting people to product providers. The review also recommended the further development of partnerships with other agencies which had a direct responsibility or contact with vulnerable people, and in particular that LFRS should explore the potential for a much greater increase in the numbers of HFSC's that are delivered by other agencies. In addition, to streamline the processes, a Contact Centre would be adopted to provide a more efficient referral service and prioritisation of risk and administration of any arising visits.

The Authority considered the proposal in full and following a vote, the proposal to vary the scale and structure of the HFSC service was agreed.

2. Capital Budget 2015/16 – 2019/20 and Revenue Budget 2015/16 – 2018/19

The Authority noted and endorsed the draft Capital Programme for 2015/16 - 2019/20 and Revenue Budget for 2015/16 - 2018/19.

The Authority also authorised consultation with representatives of non-domestic ratepayers and Trade Unions on the budget proposals and agreed to give further consideration to both at their Budget Fixing Meeting scheduled for 16th February 2015.

16 February 2015

1. National Resilience Assurance Team – Multi-Capability Assurance Process – Report Outcomes for Lancashire Fire and Rescue Service

The National Resilience Assurance Team visited Lancashire Fire and Rescue Service (LFRS) on 7 and 8 January 2015 as part of the multi-capability assurance programme. Assurance visits are part of a wider assurance process designed to provide evidence to the National Resilience Board and key stakeholders that National Resilience (NR) capabilities (which are: Urban Search and Rescue, High Volume Pump and the Incident Response Unit) remain ready to respond to major or catastrophic incidents requiring mutual aid.

The quality of evidence provided against 7 key areas of assessment was of a high standard which demonstrated LFRS ability to respond using all NR capability hosted by the Service, with mechanisms for initiating and maintaining that response in place. Conversely, there were no non-conformities identified, with three opportunities for improvement aligned to areas of conformity in the following areas: i) welfare arrangements (out of County); ii) welfare arrangements (in County) and iii) the function of Tactical Advisors. A schedule of work has been put in place to ensure that the opportunities for improvement are incorporated into LFRS policies and procedures.

Given the very positive report, the Authority was reassured that the areas the assurance team were tasked to review meant that statutory duties outlined in the Fire and Rescue Services Act 2004 and the Fire and Rescue Services (Emergencies) (England) Order 2007 in relation to NR capability could be discharged to a high standard.

2. Member Champion Activity

In December 2007, the Authority introduced the “Champion” role and allocated a £5,000 budget per Member in respect of the subject areas. These positions were currently filled by:-

- Equality and Diversity - County Councillor Sylvia Taylor
- Older People - County Councillor Mark Perks
- Environment - County Councillor Ken Brown
- Road Safety – Councillor Fred Jackson

Equality and Diversity

It was noted that a Service level review was being undertaken which formed part of the Service’s Workforce Development Programme Board and there were no developments of note to report during this last quarter.

Older People

It was noted that the Lancashire Fire and Rescue’s Community Safety Strategy 2014-2017 had been published. This had been designed to provide a clear framework that contributed to making our communities safer.

Councillor Perks had supported the CFOA Ageing Safely Week during September and October. The aim along with other fire and rescue services and partners was to

make a difference to the lives of older people where older people felt secure, valued and able to contribute to society. This event also acted as a platform to share resources and expertise, extend the reach of protection activity and deliver integrated, holistic services to support our community.

Councillor Perks had also supported the UK Older People's Day 2014 event which was held at various locations across the county.

The Dying to Keep Warm Charity pilot in Blackpool, Fylde and Wyre was unable to continue into year three due to funding issues and LFRS had expressed its appreciation on behalf of County Councillor Perks personally to its founder and secretary for all of the invaluable partnership work that had been undertaken during the last two years.

Road Safety

It was noted that Councillor Jackson had attended the Road Safety Forum meeting on Wednesday, 14 January 2015. He supported the work to promote and deliver the ongoing Wasted Lives programme (soon to reach 50,000 young people) and the new Childsafe Plus Road Safety programme (currently being rolled out to year 6 pupils in all Primary Schools).

The importance of the Road Safety work that LFRS was involved in with key partners was very important in the current climate of reduced funding, reduced resources and reduced staffing.

Environment

The Member Champion for the Environment, County Councillor Ken Brown highlighted:

That following the successful re-accreditation to the International Standard ISO 14001 for the Environment, an improvement action plan has been developed to ensure that ongoing improvements in the Environmental Management System were made.

All new vehicles ranging from fire appliances to cars that are being replaced or introduced into the service were fitted with the latest Euro 6 engines. The Euro 6 engine was cleaner than ever before with permitted nitrogen oxides reduced by 75% compared to the Euro 5 engines and a reduction of 99% for particulate matter (basically soot particle). In addition, the waste contract for general and recycling waste ceased on the 31st March 2015 and preparations were under way to tender and appoint a new contractor from 1 April 2015.

3. Revenue Budget 2014/15 - 2017/18

The Authority considered a report of the Treasurer that presented a gross revenue budget requirement for 2015/16 of £56.738m. After allowing for a council tax increase of 1.90% and allowing for the increase in council tax base and improved council tax collection rates, this resulted in a net budget requirement of £56.530m for 2015/16 and a council tax of £64.86 per Band D Property.

FRANK DEMOLFETTA
Chairman

LFRS
Fulwood

Meeting of the Full Council – 26 February 2015

Agenda Part C - Notices of Motion submitted under Procedural Standing Order 14. 2.1(a)

1. By County Councillor Gina Dowding:

Lancashire County Council calls on the Government to release the Defra report **Shale Gas Rural Economy Impacts**.

This heavily redacted version of the report was released last year. The full report needs to be released in order that the public has full information and that Councillors can make fully informed decision about Cuadrilla's applications.

2. By County Councillor Marcus Johnstone:

Lancashire County Council calls on the Government to release a full version of the report 'Shale Gas Rural Economy Impacts' which was published by Defra in July 2014.

The report was heavily redacted when published and to date the Government has not been willing to release the full document. The Council however recognises that there is community concern regarding regulatory regimes and the availability of information relating to shale gas development.

In the interests of transparency the Council calls on the Government to release the report in full.

3. By County Councillor David Whipp

Ambulance Response Times

County Council notes the continuing poor ambulance response times affecting Lancashire, especially in the east of the county, with performance significantly under target for Red 1 calls (the most urgent cases). Council also notes that a contributory factor to this underperformance is the queueing affecting Accident and Emergency departments.

County Council resolves that the North West Ambulance Service be requested to take urgent action to improve response times for casualties in those areas of Lancashire most affected by poor Red 1 performance.

4. By County Councillor Dorothy Lord

Preston/Colne rail services

County Council notes that passengers on Preston/Colne journeys suffer a second class rail service, with poor rolling stock, unreliable timekeeping, overcrowding, crumbling infrastructure and cancellations.

County Council calls for urgent action to remedy these failings to improve the situation in the short term and resolves to support the long term future, and consequent improvement in services, with the re-opening of the Colne to Skipton line to create an additional trans-Pennine route.

County Council instructs the Chief Executive to write to Government and relevant bodies to express the County Council's concerns and achieve these aims.

15 December 2014