

Full Council

Thursday, 24 March, 2016, at 1.30 pm in the Council Chamber, County Hall, Preston.

Agenda

Index

1. **Apologies and Announcements**
2. **Disclosure of Pecuniary and Non-Pecuniary Interests**

A. Matters for Decision

3. **Confirmation of the minutes from the meetings held on the 11 and 25 February 2016** (Pages 1 - 42)
4. **Lancashire Combined Authority** (Pages 43 - 64)
5. **The Localism Act 2011 – Pay Policy Statement 2016/17**
(Pages 65 - 98)
6. **Appointment to the Combined Fire Authority** (Pages 99 - 100)

B. Matters for Information

There are no matters for information.

C. Notice of Motion

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

7. Exclusion of Press and Public

The Full Council is asked to consider whether, under Section 100A(4) of the Local Government Act, 1972, it considers that the public should be excluded from the meeting during consideration of the following item of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act, 1972, as indicated against the heading to the item.

Part II (Not open to Press and Public)

8. The Creation of a Local Pensions Partnership Limited

Report to Follow

Jo Turton
Chief Executive

County Hall
Preston

16 March 2016

Agenda Item 3

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston, on Thursday, 11 February, 2016

Present:

County Councillor Margaret Brindle (Chairman)

County Councillors

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

1. Apologies and Announcements

Apologies for absence were presented on behalf of County Councillor M Devaney

2. Disclosure of Pecuniary and Non-Pecuniary Interests

County Councillor Margaret Brindle, declared a pecuniary interest in item 3 as Chairman of the County Council and she withdrew from the meeting during consideration of the item.

The Vice Chairman, County Councillor Janice Hanson, took the Chair.

3. Motion Submitted by County Councillor Geoff Driver CBE

It was moved by County Councillor Geoff Driver and seconded by County Councillor Albert Atkinson that:

"Council is concerned at the wilful, persistent and continued failure of the Chairman to interpret the Rules of Debate in accordance with the Council's Constitution and therefore calls on her to resign as Chairman of Lancashire County Council with immediate effect."

Following a period of debate the Motion was put to the vote and six County Councillors requested a recorded vote in accordance with procedural Standing Order 15.2 (9.4).

The names of county councillors who voted for or against the Motion and those who abstained are set out below:

For (34)

T Ashton	G Gooch	K Sedgewick
A Atkinson	M Green	J Shedwick
M Barron	K Iddon	D Smith
P Britcliffe	A James	D Stansfield
K Brown	T Jones	V Taylor
I Brown	A Kay	C Wakeford
P Buckley	J Lawrenson	D Westley
S Charles	D O'Toole	P White
A Cheetham	M Otter	G Wilkins
A Clempson	M Perks	B Yates
F Craig-Wilson	P Rigby	
G Driver	A Schofield	

Against (48)

T Aldridge	J Gibson	R Newman-Thompson
A Ali	J Hanson	E Oades
A Barnes	M Hassan	J Oakes
L Beavers	P Hayhurst	M Parkinson
D Borrow	C Henig	N Penney
T Brown	N Hennessy	S Perkins
T Burns	S Holgate	C Pritchard
D Clifford	D Howarth	S Prynne
C Crompton	M Iqbal	S Serridge
M Dad	M Johnstone	R Shewan
B Dawson	D Lord	K Snape
F De Molfetta	T Martin	J Sumner
C Dereli	J Mein	M Tomlinson
G Dowding	G Molineux	D Watts
K Ellard	Y Motala	D Whipp
J Fillis	B Murray	B Winlow

The Motion was therefore not carried and it was,

Resolved: That the Motion was lost.

County Councillor Brindle re-joined the meeting and returned to the Chair.

4. Motion Submitted by County Councillor Tim Ashton

It was moved by County Councillor Tim Ashton and seconded by County Councillor David Smith that:

"Lancashire County Council is known for having one of the best library services in the country. It also owns some important museums which are an important part of the county's heritage. Following the recent Cabinet meeting, Council is concerned that there will be an insufficient consultation period before closures of libraries and museums are made.

Council therefore resolves that an extended consultation period should be implemented to allow alternative delivery mechanisms to be explored. Options to be considered should include, but not be limited to, charitable trusts, the private sector, voluntary sector and partnerships."

County Councillor David Borrow moved the following **Amendment** which was seconded by County Councillor Jennifer Mein:

Delete the text after the word Council in the third line and replace it with:

"...notes the extensive ongoing consultation that has been agreed before a final decision will be made on the configuration of the library service. Council also notes that the period for expressions of interest in the County Council's libraries,

museums and other services ends in late March and believes alternative delivery mechanisms such as charitable trusts and transfers to the voluntary and community sectors should be considered."

On being put to the vote the Amendment was carried and became the Substantive Motion.

The Substantive Motion was put to the vote and was carried and it was therefore,

Resolved: That,

"Lancashire County Council is known for having one of the best library services in the country. It also owns some important museums which are an important part of the county's heritage. Following the recent Cabinet meeting, Council notes the extensive ongoing consultation that has been agreed before a final decision will be made on the configuration of the library service. Council also notes that the period for expressions of interest in the County Council's libraries, museums and other services ends in late March and believes alternative delivery mechanisms such as charitable trusts and transfers to the voluntary and community sectors should be considered."

Budget Meeting

As this meeting concluded at 1.30pm, the Chairman delayed the scheduled start of the Budget meeting for one hour until 2.30pm

Jo Turton
Chief Executive

County Hall
Preston

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston,
on Thursday, 11 February, 2016

Present:

County Councillor Margaret Brindle (Chairman)

County Councillors

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

1. Apologies and Announcements

There were no apologies.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

Name of Councillor	Agenda Item No.	Nature of Interest (non-pecuniary unless stated)
M Brindle	Part A – Item 3	Member Burnley Borough Council
A Cheetham	Part A – Item 3	Non-Executive Director Rossendale Transport
M Green	Part A – Item 3	Cabinet Member South Ribble Borough Council and responded to the consultation
D Howarth	Part A – Item 3	Member South Ribble Borough Council
D Lord	Part A – Item 3	Member Pendle Borough Council
J Sumner	Part A – Item 3	Member Burnley Borough Council
D Whipp	Part A – Item 3	Member Pendle Borough Council

3. The County Council's Budget

County Councillor Borrow, Deputy Leader of the Council, moved the report of the Cabinet from its meeting on the 21 January 2016. It contained recommendations on the:

- **Revenue Budget 2016/17 and Financial Strategy 2017/18 to 2019/20**
- **Capital Investment Programme 2016/17 and beyond**
- **Council Tax and Precept 2016/17**

In moving the report County Councillor Borrow outlined an adjustment to the proposals contained within the report. Details of the adjustment were set out in a document circulated to all members, which is appended to these minutes as Annex 1.

The motion was seconded by County Councillor Jennifer Mein, Leader of the Council.

County Councillor Geoff Driver, Leader of the Conservative Group, then made his Budget speech and moved an Amendment to the Budget proposals on behalf of the Conservative Group, which was seconded by County Councillor Albert Atkinson.

A copy of the Amendment was circulated to all members and is set out at Annex 2 to these minutes.

The Chairman adjourned the meeting for a period of thirty minutes to give members the opportunity to consider the Amendment.

Following a period of debate it was moved and seconded, in accordance with Procedural Standing Order 15.10.1(a), 'that the question be put'. On being put to the vote the procedural motion was carried and the debate was brought to a close.

A recorded vote on the Amendment was then taken. The names of county councillors who voted for or against the Amendment and those who abstained are set out below:

For (35)

T Ashton	G Driver	A Schofield
A Atkinson	G Gooch	K Sedgewick
M Barron	M Green	J Shedwick
P Britcliffe	K Iddon	D Smith
K Brown	A James	D Stansfield
I Brown	T Jones	V Taylor
P Buckley	A Kay	C Wakeford
S Charles	J Lawrenson	D Westley
A Cheetham	D O'Toole	P White
A Clempson	M Otter	G Wilkins
F Craig-Wilson	M Perks	B Yates
M Devaney	P Rigby	

Against (43)

T Aldridge	J Fillis	R Newman-Thompson
A Ali	J Gibson	E Oades
A Barnes	J Hanson	J Oakes
L Beavers	M Hassan	M Parkinson
D Borrow	P Hayhurst	N Penney
T Brown	C Henig	S Perkins
T Burns	N Hennessy	C Pritchard
D Clifford	S Holgate	S Pryn
C Crompton	M Iqbal	S Serridge
M Dad	M Johnstone	R Shewan
B Dawson	T Martin	K Snape
F De Molfetta	J Mein	M Tomlinson
C Dereli	G Molineux	D Watts
G Dowding	Y Motala	
K Ellard	B Murray	

Abstain (6)

M Brindle	J Sumner
D Howarth	D Whipp
D Lord	B Winlow

The Conservative Group's Amendment was therefore lost.

County Councillor Bill Winlow, Leader of the Liberal Democrat Group, then made his Budget speech and moved an Amendment to the Budget proposals on behalf of the Liberal Democrat Group, which was seconded by County Councillor David Whipp.

A copy of the Amendment was circulated to all members and is set out at Annex 3 to these minutes.

The Chairman adjourned the meeting for a period of ten minutes to give members the opportunity to consider the Amendment.

On resumption of the meeting there followed a period of debate after which a recorded vote on the Amendment was taken.

The names of county councillors who voted for or against the Amendment and those who abstained are set out below:

For (6)

M Brindle	J Sumner
D Howarth	D Whipp
D Lord	B Winlow

Against (42)

T Aldridge	J Fillis	B Murray
A Ali	J Gibson	R Newman-Thompson
A Barnes	J Hanson	E Oades
L Beavers	M Hassan	J Oakes
D Borrow	P Hayhurst	M Parkinson
T Brown	C Henig	N Penney
T Burns	N Hennessy	S Perkins
D Clifford	S Holgate	C Pritchard
C Crompton	M Iqbal	S Pryn
M Dad	M Johnstone	S Serridge
B Dawson	T Martin	R Shewan
F De Molfetta	J Mein	K Snape
C Dereli	G Molineux	M Tomlinson
K Ellard	Y Motala	D Watts

Abstain (35)

T Ashton	G Dowding	A Schofield
A Atkinson	G Driver	K Sedgewick
M Barron	G Gooch	J Shedwick
P Britcliffe	M Green	D Smith
K Brown	K Iddon	D Stansfield
I Brown	A James	V Taylor
P Buckley	T Jones	C Wakeford
S Charles	A Kay	D Westley
A Cheetham	J Lawrenson	P White
A Clempson	D O'Toole	G Wilkins
F Craig-Wilson	M Otter	B Yates
M Devaney	P Rigby	

The Liberal Democrat Group's Amendment was therefore lost.

County Councillor Paul Hayhurst then moved an Amendment to the Budget proposals on behalf of the Independent Members and the Green Member, which was seconded by County Councillor Gina Dowding.

A copy of the Amendment was circulated to all members and is set out at Annex 4 to these minutes.

The Chairman adjourned the meeting for a period of ten minutes to give members the opportunity to consider the Amendment.

On resumption of the meeting a recorded vote on the Amendment was taken. The names of county councillors who voted for or against the Amendment and those who abstained are set out below:

For (43)

T Aldridge	J Fillis	R Newman-Thompson
A Ali	J Gibson	E Oades
A Barnes	J Hanson	J Oakes
L Beavers	M Hassan	M Parkinson
D Borrow	P Hayhurst	N Penney
T Brown	C Henig	S Perkins
T Burns	N Hennessy	C Pritchard
D Clifford	S Holgate	S Pryn
C Crompton	M Iqbal	S Serridge
M Dad	M Johnstone	R Shewan
B Dawson	T Martin	K Snape
F De Molfetta	J Mein	M Tomlinson
C Dereli	G Molineux	D Watts
G Dowding	Y Motala	
K Ellard	B Murray	

Against (6)

M Brindle	J Sumner
D Howarth	D Whipp
D Lord	B Winlow

Abstain (34)

T Ashton	G Driver	K Sedgewick
A Atkinson	G Gooch	J Shedwick
M Barron	M Green	D Smith
P Britcliffe	K Iddon	D Stansfield
K Brown	A James	V Taylor
I Brown	T Jones	C Wakeford
P Buckley	A Kay	D Westley
S Charles	J Lawrenson	P White
A Cheetham	D O'Toole	G Wilkins
A Clempson	M Otter	B Yates
F Craig-Wilson	P Rigby	
M Devaney	A Schofield	

The Amendment was therefore carried and became part of the Substantive Motion.

County Councillor Vivien Taylor then moved a further Amendment to the Budget proposals, which was seconded by County Councillor Craig Wilson. A copy of the Amendment was circulated to all members and is set out at Annex 5 to these minutes.

A recorded vote was taken and the names of county councillors who voted for or against the Motion and those who abstained are set out below:

For (34)

T Ashton	G Driver	K Sedgewick
A Atkinson	G Gooch	J Shedwick
M Barron	M Green	D Smith
P Britcliffe	K Iddon	D Stansfield
K Brown	A James	V Taylor
I Brown	T Jones	C Wakeford
P Buckley	A Kay	D Westley
S Charles	J Lawrenson	P White
A Cheetham	D O'Toole	G Wilkins
A Clempson	M Otter	B Yates
F Craig-Wilson	P Rigby	
M Devaney	A Schofield	

Against (42)

T Aldridge	K Ellard	Y Motala
A Ali	J Fillis	B Murray
A Barnes	J Gibson	E Oades
L Beavers	J Hanson	J Oakes
D Borrow	M Hassan	M Parkinson
T Brown	P Hayhurst	N Penney
T Burns	C Henig	S Perkins
D Clifford	N Hennessy	C Pritchard
C Crompton	S Holgate	S Pryn
M Dad	M Iqbal	S Serridge
B Dawson	M Johnstone	R Shewan
F De Molfetta	T Martin	K Snape
C Dereli	J Mein	M Tomlinson
G Dowding	G Molineux	D Watts

Abstain (6)

M Brindle	J Sumner
D Howarth	D Whipp
D Lord	B Winlow

The Amendment was therefore lost.

County Councillor Graham Gooch then moved a further Amendment to the Budget proposals, which was seconded by County Councillor Alan Schofield. A copy of the Amendment was circulated to all members and is set out at Annex 6 to these minutes.

County Councillor David Whipp suggested that the following wording, under the heading 'Subsidised Bus Routes' be removed from the Amendment:

"Retain all existing subsidised bus routes until 30th September 2016 to allow consultation with all interested parties to identify a 50% reduction in subsidised bus routes. The remaining 50% of the subsidised routes to be continued into 2017/18."

County Councillor Gooch accepted this change.

The Chairman adjourned the meeting for a period of five minutes to give members the opportunity to consider the revised Amendment.

On resumption of the meeting a recorded vote on the revised Amendment was taken.

The names of county councillors who voted for or against the Amendment and those who abstained are set out below:

For (40)

T Ashton	G Gooch	K Sedgewick
A Atkinson	M Green	J Shedwick
M Barron	D Howarth	D Smith
M Brindle	K Iddon	D Stansfield
P Britcliffe	A James	J Sumner
K Brown	T Jones	V Taylor
I Brown	A Kay	C Wakeford
P Buckley	J Lawrenson	D Westley
S Charles	D Lord	D Whipp
A Cheetham	D O'Toole	P White
A Clempson	M Otter	G Wilkins
F Craig-Wilson	P Rigby	B Winlow
M Devaney	A Schofield	B Yates
G Driver		

Against (42)

T Aldridge	K Ellard	Y Motala
A Ali	J Fillis	B Murray
A Barnes	J Gibson	E Oades
L Beavers	J Hanson	J Oakes
D Borrow	M Hassan	M Parkinson
T Brown	P Hayhurst	N Penney
T Burns	C Henig	S Perkins
D Clifford	N Hennessy	C Pritchard
C Crompton	S Holgate	S Prynne
M Dad	M Iqbal	S Serridge
B Dawson	M Johnstone	R Shewan
F De Molfetta	T Martin	K Snape
C Dereli	J Mein	M Tomlinson
G Dowding	G Molineux	D Watts

Abstain (0)

The Amendment was therefore lost.

County Councillor Michael Green then moved a further Amendment to the Budget proposals, which was seconded by County Councillor David Whipp. A copy of the Amendment was circulated to all members and is set out at Annex 7 to these minutes.

A recorded vote was taken and the names of county councillors who voted for or against the Motion and those who abstained are set out below:

For (81)

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

Against (0)

Abstain (0)

The Amendment was therefore carried and became part of the Substantive Motion.

As no further Amendments were moved, the Chairman put the Motion on the County Council's Budget and asked the Full Council to approve the recommendations of the Cabinet, as adjusted at **Annex 1**, and as amended according to the Amendments set out at **Annex 4 and Annex 7** to these minutes on the:

- **The Revenue Budget 2016/17 and Financial Strategy 2017/18 to 2019/20.**
- **The Capital Investment Programme 2016/17 and beyond.**
- **The Council Tax and Precept 2016/17.**

A recorded vote was taken and the names of county councillors who voted for or against the Motion and those who abstained are set out below:

For (42)

T Aldridge	K Ellard	Y Motala
A Ali	J Fillis	B Murray
A Barnes	J Gibson	E Oades
L Beavers	J Hanson	J Oakes
D Borrow	M Hassan	M Parkinson
T Brown	P Hayhurst	N Penney
T Burns	C Henig	S Perkins
D Clifford	N Hennessy	C Pritchard
C Crompton	S Holgate	S Prynne
M Dad	M Iqbal	S Serridge
B Dawson	M Johnstone	R Shewan
F De Molfetta	T Martin	K Snape
C Dereli	J Mein	M Tomlinson
G Dowding	G Molineux	D Watts

Against (39)

T Ashton	G Gooch	K Sedgewick
A Atkinson	M Green	J Shedwick
M Barron	D Howarth	D Smith
M Brindle	K Iddon	D Stansfield
P Britcliffe	A James	J Sumner
K Brown	T Jones	V Taylor
I Brown	A Kay	C Wakeford
P Buckley	J Lawrenson	D Westley
S Charles	D Lord	D Whipp
A Cheetham	D O'Toole	P White
A Clempson	M Otter	G Wilkins
F Craig-Wilson	P Rigby	B Winlow
G Driver	A Schofield	B Yates

Abstain (0)

The Motion was carried and it was,

Resolved:

1. Revenue Budget 2016/17

Allocation of the 2016/17 Revenue Budget to Services

Revenue Budget 2016/17	Net Budget £m
Adult Social Care	332.663
Chief Executive	1.035
Children's Services	100.771
Community Services	129.638
Corporate Commissioning	13.715
Customer Access	3.607
Development and Corporate Services	39.496
Governance, Finance and Public Services	13.992
Lancashire Pension Fund	-2.097
Corporate & Other	41.149
Public Health and Wellbeing	24.013
Sub-Total	697.982
Financing Charges	33.324
Use of one off resources	-18.286
Revenue budget 2016/17	713.020

2. Capital Investment Strategy 2016/17 and future years

The adoption of the proposals for the Capital Investment Strategy 2016/17 and future years as set out at Appendix A to the report now presented be approved.

3. Council Tax and Precept 2016/17

The Full Council authorises, in pursuance of the provisions of the Local Government Finance Act 1992, and in order to meet the general expenses of the County Council for the financial year 2016/17:

a) Budget, Council Tax Requirement and Precept for 2016/17:

	£m
Budget Requirement	713.020
Less RSG	118.841
Less Retained Business Rates	177.985
Less New Homes Bonus grant	5.084
Less Transformation Grant	1.108
Equals council tax cash	410.002
Divided by tax base	348,980.09
Gives Band D council tax for 2016/17	£1,174.86
2015/16 council tax	£1,129.78
Percentage increase	3.99%

b) Council Tax (on the basis of a budget requirement of £711.912m and the Council Tax base for each property valuation band:

Council Tax Band	£
Band A	783.24
Band B	913.78
Band C	1,044.32
Band D (basic)	1,174.86
Band E	1,435.94
Band F	1,697.02
Band G	1,958.10
Band H	2,349.72

c) The share for each District Council of the net total raised from the Council Tax of £410,002,748:

District	£
Burnley	25,930,335
Chorley	41,333,596
Fylde	33,773,700
Hyndburn	22,426,903
Lancaster	46,641,942
Pendle	27,223,034
Preston	41,359,771
Ribble Valley	25,875,117
Rosendale	23,118,895
South Ribble	40,903,456
West Lancashire	39,969,865
Wyre	41,446,135
Total raised from the Council Tax	410,002,749

4. Lancashire County Council Treasury Management Policy and Strategy 2016/17

The Cabinet had considered at its meeting on 4 February the Treasury Management Policy and Strategy for 2016/17 as set out at Appendices A, B and C to the report now presented. County Councillor David Borrow recommended it to the Full Council for approval.

Resolved: That the Treasury Management Policy and Strategy for 2016/17 as set out in Appendices A, B and C to the report now presented, be approved.

Part B - Matters for Information

No matters were reported.

Part C - Notice of Motion

No Notices of Motion had been received.

Jo Turton
Chief Executive

County Hall, Preston

Adjustment to the 2016/17 Budget Proposals

Full Council 11 February 2016

The Cabinet's budget recommendation to Full Council included the impact of the Provisional Finance Settlement. This report outlines the proposed changes to the County Council's revenue budget as a consequence of Final Settlement being issued and amendments to budget options 2016/17.

1. The Final Settlement 2016/17

The Final Settlement was made on 8th February 2016. The key points impacting on the County Council's revenue budget are:

- a) The Secretary of State has introduced a Transitional Grant. Lancashire's share of this additional money is £1.108m in 2016/17 and £1.154 m in 2017/18.
- b) Education Services Grant (ESG) £14.389m for 2016/17 which is £1.177m lower than the budget provision.

In total the general resources have increased by £1.108m giving a budget requirement of £713.020m. However, it is proposed that the reduction in the ESG is not passported to the children's service but is met from general resources.

Overall, it is proposed that the net change of the Final Settlement will result in an additional £0.069m of reserves to be applied to support the revenue budget in 2016/17.

2. Amendments to budget options 2016/17

Following consultation on the budget recommended by Cabinet, the following amendments are now proposed:

a) Reverse the reduction on Blackpool Tramway	£0.314m
b) Re-instate the flood risk budget	£0.050m
c) Reduce the cut to severely disabled transport	£0.250m
Total Amendments	£0.614m

- d) Highways contingency reserve of £1.404m.

The total amendments to budget options 2016/17 are proposed to be funded from the Transitional Reserve.

After applying the Final Settlement and amendments to budget option changes, the budget allocation to services is shown overleaf:

Revenue Budget 2016/17	Net Budget £m
Adult Social Care	332.663
Chief Executive	1.035
Children's Services	100.771
Community Services	129.638
Corporate Commissioning	13.715
Customer Access	3.607
Development and Corporate Services	39.496
Governance, Finance and Public Services	13.992
Lancashire Pension Fund	-2.097
Corporate & Other	41.149
Public Health and Wellbeing	24.013
Sub-Total	697.982
Financing Charges	33.324
Use of one off resources	-18.286
Revenue budget 2016/17	713.020

That the recommended Council Tax proposal in the table below remains unchanged as follows:

	£m
Budget Requirement	713.020
Less RSG	118.841
Less Retained Business Rates	177.985
Less New Homes Bonus grant	5.084
Less Transformation Grant	1.108
Equals council tax cash	410.002
Divided by tax base	348,980.09
Gives Band D council tax for 2016/17	£1,174.86
2015/16 council tax	£1,129.78
Percentage increase	3.99%

County Councillor David Borrow,
Deputy Leader,
11 February 2016

BUDGET COUNCIL 11th FEBRUARY 2016 - CONSERVATIVE GROUP AMENDMENT

(1) Proposed additions to the budget

	Additional Cost of Proposals	
	2016/2017	2017/2018
	£m	£m
1. Subsidised Bus Routes: Retain all existing subsidised routes until 30 th September 2016 to allow consultation with all interested parties to identify a 50% reduction in the subsidised routes. The remaining 50% of the subsidised routes to be continued into 2017/2018:	5.750	4.500
2. Re-instate Transport to Day Centres:	1.604	2.749
3. Remove the proposed cuts to the Library Service to maintain the current provision for the next two years to allow consultation with all interested parties on the most appropriate means of providing the service in future years:	Nil	2.292
4. Remove the proposed cuts to the Museums Service to maintain the current provision for the next two years to allow consultation with all interested parties on the most appropriate means of providing the service in future years:	.582	1.044
5. Retain the subsidy to the Knott End Ferry:	.085	.085
6. Re-instate the proposed cuts to the Flood Risk budget:	<u>.050</u>	<u>.050</u>
Total Cost of proposed amendments:	<u>£8.071</u>	<u>£10.720</u>

(2) Financing the proposed additions to the budget

	Revenue Savings	
	2016/2017	2017/2018
	£m	£m
1. Support for Parish Bus Schemes	2.000	2.000
	£m	
2. Continue the policy of financing capital expenditure by borrowing rather than charging to revenue or reserves:		
• School Playing Fields	1.036	
• Waste PFI	4.000	
• Green Energy Initiatives	5.000	
• City Deal	6.951	
• Several minor schemes	<u>.532</u>	
Total	17.519	
Less: two year's revenue charges	<u>2.450</u>	
	<u>15.069</u>	7.500
3. Identified further savings in the budget for concessionary fares with no cut in the service	<u>.400</u>	<u>.400</u>
Total Revenue Savings	9.900	9.900
Less Cost of Proposed amendments	<u>8.071</u>	<u>10.720</u>
Surplus/Deficit	<u>1.829</u>	.820 (d)
Apply 2016/2017 surplus to 2017/2018 deficit		<u>1.829</u>
Amount available towards bridging the identified budget deficit in 2017/2018		£1.009

(3) Proposed Amendments to the Capital Programme

	£m
1. Delete:	
• Parish Bus Initiative	1.000
• Waste Transfer in East of County (budget not required)	<u>.500</u>
	<u>1.500</u>
2. Add	
• Highways Maintenance	<u>1.500</u>

View of the Section 151 Officer

The proposals have been validated as being deliverable financially over the next 2 years, however it must be stressed that the affected savings areas will lead to a widening resource gap in 2018/19 and future years if they are not ultimately delivered in full as per the existing plans.

Comparative LCC Liberal Democrat Budget Amendment, February 2016

Proposed by County Councillor Bill Winlow

To transfer up to £6.749m from the transitional reserve as follows:

	£m
To provide additional support for transport services to ensure that all residents, including any specifically disadvantaged groups, will be supported in accessing, employment, education, health and other essential services in line with the proposed transport policy BOP 041 (v3)	2.5
To ensure that transport for the severely disabled continues to be available in its present form	1.345
To restore funding for Highways Services to include a minimum of annual frequency of gulley emptying	1.404
To allow adequate time for the consultation on Libraries to be concluded	1.5
Total	6.749

Independent Members and Green Member Amendment Proposal 2016/17

That we welcome the additional amounts provided for in the amendment by the Labour Group.

We propose that:

- 1) A further £3m contingency be made available from reserves to facilitate the transition of services.
- 2) That cross party cabinet working groups be set up to explore and support the transition of services and arrangements in consultation with interested parties.

The Section 151 Officer endorses this proposal

BUDGET COUNCIL 11th FEBRUARY 2016- CONSERVATIVE GROUP AMENDMENT

(1) Proposed addition to the budget

	Additional Cost of Proposal	
	2016/2017	2017/2018
	£m	£m
Re-instate Transport to Day Centres:	1.604	2.749

(2) Financing the proposed additions to the budget

	fm	Revenue Savings	
		2016/2017	2017/2018
		£m	£m
Continue the policy of financing capital expenditure by borrowing rather than charging to revenue or reserves:			
Green Energy Initiatives	5.000		
Less: two year's revenue charges	<u>.700</u>		
	4.300		
Underspend on Concessionary Travel	<u>.400</u>		
	<u>4.700</u>	1.604	2.749

BUDGET COUNCIL 11th FEBRUARY 2016 - CONSERVATIVE GROUP AMENDMENT

(1) Proposed addition to the budget

	Additional Cost of Proposal	
	2016/2017	2017/2018
	£m	£m
Subsidised Bus Routes:		
Retain all existing subsidised routes until 30th September 2016 to allow consultation with all interested parties to identify a 50% reduction in the subsidised routes. The remaining 50% of the subsidised routes to be continued into 2017/2018:	5.750	4.500

(2) Financing the proposed additions to the budget

	£m	Revenue Savings	
		2016/2017	2017/2018
		£m	£m
Continue the policy of financing capital expenditure by borrowing rather than charging to revenue or reserves:			
School Playing Fields	1.036		
City Deal	6.951		
Waste PFI	4.000		
Minor capital schemes	<u>.532</u>		
	12.519		
Less: two year's revenue charges	<u>1.753</u>		
	<u>10.766</u>	5.750	4.500

BUDGET COUNCIL 11th FEBRUARY 2016 - CONSERVATIVE GROUP AMENDMENT

Proposed Amendments to the Capital Programme

	fm
1. Delete:	
• Waste Transfer in East of County (budget not required)	.500
	.500
2. Add	
• Highways Maintenance	.500

Minutes

At a meeting of the Full Council held at Council Chamber, County Hall, Preston,
on Thursday, 25 February, 2016

Present:

County Councillor Margaret Brindle (Chairman)

County Councillors

T Aldridge	K Ellard	M Otter
A Ali	J Fillis	N Penney
T Ashton	J Gibson	M Perks
A Atkinson	G Gooch	C Pritchard
A Barnes	M Green	S Pryn
M Barron	J Hanson	P Rigby
L Beavers	P Hayhurst	A Schofield
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
P Buckley	M Iqbal	K Snape
T Burns	A James	D Stansfield
Mrs S Charles	M Johnstone	J Sumner
A Cheetham	A Jones	V Taylor
D Clifford	A Kay	M Tomlinson
Mrs F Craig-Wilson	J Lawrenson	C Wakeford
C Crompton	D Lord	D Watts
M Dad	T Martin	D Westley
B Dawson	J Mein	D Whipp
F De Molfetta	G Molineux	P White
C Dereli	Y Motala	G Wilkins
M Devaney	B Murray	B Winlow
G Dowding	Mrs L Oades	B Yates
G Driver	J Oakes	

1. Apologies and Announcements

Apologies

Apologies for absence were presented on behalf of County Councillors A Clempson, M Hassan, D O'Toole, M Parkinson, and S Perkins.

Deaths

The Chairman reported the following sad deaths:

County Councillor Richard Newman-Thompson died on 22 February 2016 at the age of only 53.

County Councillor Newman-Thompson was elected as a Labour county councillor to the Lancaster East electoral division in May 2013. During his time as a county councillor he served as Lead Member for Health and as Deputy Chair of the Development Control Committee, as well as holding a number of other special responsibilities. He was an active member of the Combined Fire Authority and he was also a councillor on Lancaster City Council, where he was Cabinet Member for Finance.

Former County Councillor George Askew died on 13 February 2016 at the age of only 32.

Mr Askew was elected as a Conservative county councillor to the Pendle Central electoral division in 2009 until 2013 and served on the Council's Health Scrutiny Committee. He was elected in November last year as a Lancaster City Councillor to serve the Carnforth and Millhead Ward.

A number of members spoke in memory of the deceased and offered condolences to their family and friends. The Full Council stood in silent tribute.

New Year Honours

The Chairman was proud to announce that **Ken Spencer**, a dedicated and long-serving volunteer at Burnley library, had been awarded an **MBE** in the New Year Honours List for his services to the community.

Former County Councillor Jean Yates had also been awarded an **MBE** in the Queen's New Year Honours List for political service and service to the community in Lancashire. Ms Yates had had a long career in politics, during which she served as a Lancashire county councillor for twelve years, and had campaigned and worked tirelessly in her community.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

None disclosed.

3. Confirmation of the minutes from the meeting held 17 December 2015

Resolved: That the Minutes of the meeting of the County Council held on 17 December 2015 be confirmed and signed by the Chair.

4. Report of the Independent Remuneration Panel

The report set out the recommendations of the Independent Remuneration Panel (IRP) in relation to the Council's Members' Allowance Scheme for 2016/17.

In moving the recommendations of the IRP the Leader proposed that, for consistency with other important scrutiny committees, a special responsibility allowance (SRA) also be paid to the Deputy Chair of the new Children's Services Scrutiny Committee.

County Councillor Gina Dowding moved the following Amendment which was seconded by County Councillor Liz Oades:

"This Council agrees to stop paying the Special Responsibility Allowance to group Whips; and increase the budget for the Local Initiative Fund by the amount saved starting in April 2016."

On being put to the vote the Amendment was lost and the original Motion was then put to the vote and was carried and it was,

Resolved: That the Members' Allowance Scheme for 2016/17, as recommended by the Independent Remuneration Panel and set out in the report now presented, with the addition of an SRA for the position of Deputy Chair to the Children's Services Scrutiny Committee, be approved.

5. Financial Threshold for Key Decisions 2016/17

The report explained that the Council was required, each year, to specify the financial threshold for an executive decision incurring expenditure or savings which are significant and which should be treated as Key Decisions as defined in Standing Order 25(1).

It was recommended that the financial threshold for Key Decisions should remain unchanged at £1.4m for 2016/17.

Resolved: That the financial threshold for Key Decisions, for the purposes of Standing Order 25(1)(a), remain at £1.4m for 2016/17.

6. Appointment of S.151 Officer

The Leader reported that following interviews on 22 February 2016 the Employment Committee had appointed Neil Kissock as Director for Financial Resources. The Full Council was now asked to approve the appointment of Mr Kissock as the Council's Section151 officer with immediate effect.

Resolved: That the appointment of Neil Kissock as the County Council's Section151 officer, with immediate effect, be approved.

7. Approval to enter into an arrangement for the discharge by the County Council of the functions of Newham London Borough Council in respect of pension administration

The Deputy Leader reported that Newham London Borough Council had agreed to enter into an arrangement under the Local Government Act 1972 for the discharge by Lancashire County Council of its functions in respect of pension administration from 1 April 2016.

The Full Council was now asked to also approve this arrangement.

Resolved: That the County Council enter into an arrangement under the Local Government Act 1972 for the discharge by the County Council of the functions of Newham London Borough Council in respect of pension administration from 1 April 2016.

8. 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 on 21 January and 4 February 2016.

Resolved: That the report of the Cabinet from its meetings on 21 January and 4 February 2016, as now presented, be noted.

9. Report of Urgent Key Decisions

Resolved: That the report of urgent key decisions taken by the Deputy Leader of the County Council and the Cabinet Member for Highways and Transport during the preceding three months, as now presented, be noted.

10(a) Report of 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	15 January 2016
Health Scrutiny Committee	26 January 2016

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

10(b) Report of the Audit and Governance Committee

County Councillor Terry Brown presented the report of the Audit and Governance Committee from its meeting on 25 January 2016.

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

10(c) Report of the Pension Fund Committee

County Councillor Kevin Ellard presented the report of the Pension Fund Committee from its meeting on 29 January 2016.

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

10(d) Report of the Urgency Committee

The Leader presented the report of the Urgency Committee, which set out decisions of the Chief Executive under the Council's Urgent Business Procedure on behalf of the Urgency Committee.

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

11. Report of The Combined Fire Authority

County Councillor Frank De Molfetta presented the report of the Lancashire Combined Fire Authority from its meeting on 15 February 2015.

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

Notices of Motion submitted under Procedural Standing Order 14.2.1(a) and 14.2.1(b).

1. It was moved by County Councillor Sue Prynne and seconded by County Councillor Matthew Tomlinson that:

This Council calls on the Government to amend the Children and Families Act 2014 to enable all children in care to stay under the care of the local authority until 21 years of age.

Currently cared-for children who are with foster carers can "stay put" until the age of 21 but children in residential care must leave by the age of 18 and sometimes leave at 16 or 17. These vulnerable children and young people in our residential care homes can have differing complex needs, and compared to those placed in foster care, are being discriminated against by Government. As Corporate parents we have a moral obligation to ensure that all children have the best services and support that we, as a local authority, can give.

This Council believes the decision by Government to only regulate to support young people leaving foster care is discriminatory and residential care leavers should be afforded the same opportunities to remain in their homes.

This Council requests that the Secretary of State:

- Looks towards amending the Care Leavers Regulations 2010 to include the option of young people to remain in residential homes up to 21 years, if they so wish.
- Sets aside specific funding for local authorities for young people in residential care in order for them to be further supported up to the age of 21 years. This should include funding for their accommodation needs, amongst others, gained from the recuperation by the DWP of child benefit (formerly paid to the biological parents) once their child has gone into care, for this purpose.
- Extends regulations for 'transition into adulthood for care leavers' to include housing providers, outlining how organisations such as Housing Associations and Borough Councils can support the housing needs of this specific group of vulnerable young people (including those renting in the private sector) in their policies and practices.
- Supports the recommendations outlined in the 'Staying Put' for young people in Residential Care; A scoping exercise' Dec 2014, namely to offer young people leaving residential care consistent support towards independence, in a setting that best meets their needs and preferences based on meaningful consultation with the young person. Furthermore, to take on board other recommendations concerning inspection, safeguarding and funding arrangements.

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

Resolved: That,

This Council calls on the Government to amend the Children and Families Act 2014 to enable all children in care to stay under the care of the local authority until 21 years of age.

Currently cared-for children who are with foster carers can "stay put" until the age of 21 but children in residential care must leave by the age of 18 and sometimes leave at 16 or 17. These vulnerable children and young people in our residential care homes can have differing complex needs, and compared to those placed in foster care, are being discriminated against by Government. As Corporate parents we have a moral obligation to ensure that all children have the best services and support that we, as a local authority, can give.

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- Extends regulations for 'transition into adulthood for care leavers' to include housing providers, outlining how organisations such as Housing Associations and Borough Councils can support the housing needs of this specific group of vulnerable young people (including those renting in the private sector) in their policies and practices.
- Supports the recommendations outlined in the 'Staying Put' for young people in Residential Care; A scoping exercise' Dec 2014, namely to offer young people leaving residential care consistent support towards independence, in a setting that best meets their needs and preferences based on meaningful consultation with the young person. Furthermore, to take on board other recommendations concerning inspection, safeguarding and funding arrangements.

It was agreed that, as this Motion had received unanimous, cross-party support, the letter to be sent by the Chief Executive to the Secretary of State would be signed by each of the political group leaders.

2. County Councillor Gina Dowding withdrew her Notice of Motion about Pensions Fund investments.

Jo Turton
Chief Executive

County Hall
Preston

**Meeting of the Full Council
Meeting to be held on 24 March 2016**

Report submitted by: The Chief Executive

Part A

Electoral Division affected:
All

Lancashire Combined Authority
(Appendix A refers)

Contact for further information:
Ann Pennell, Tel: 01772 535003, ann.pennell@lancashire.gov.uk

Executive Summary

The purpose of this report is to update members on the progress on the Lancashire Combined Authority proposals, outline the response to the public consultation exercise and seek agreement for the Council to become a constituent member of a Combined Authority for Lancashire.

Recommendation

It is recommended that:

1. The contents of this report be noted;
2. The appended response to the public consultation on the Combined Authority proposals be noted;
3. The Council agree to become a constituent member of a Lancashire Combined Authority and submit proposals to do so to the Secretary of State;
4. In the interim period, the Council agree to form a shadow Lancashire Combined Authority; and
5. Any future proposals for a devolution deal with the Government be brought back to Council for agreement.

Background

Members will be aware that in October 2014 Council Leaders indicated their wish to develop closer collaborative working across Lancashire on economic related matters and to explore the options in this regard.

In order to determine whether the existing arrangements are effective or would benefit from change the Leaders asked that a Governance Review be undertaken.

The Council considered the Governance Review and draft Scheme of Governance at its meeting on 17 December 2015.

Lancashire Combined Authority

As part of the Governance Review Leaders developed ambitions for Lancashire. These are:

- Prosperous Lancashire – a Lancashire that is recognised as a destination of choice, to invest in, do business in, live or visit;
- Connected Lancashire – digital and transport connectivity to promote inclusive growth;
- Skilled Lancashire – a skilled workforce to meet the demands of employers and future business growth;
- Better Homes for Lancashire – better living standards for residents with good quality homes and a wide housing offer;
- Public services working together for Lancashire – integrated public services at the heart of local communities giving everyone the opportunity for a healthier life.

Leaders have recognised that some of the ambitions set out above can be delivered through the existing excellent partnership arrangements in place across the County geography. However, in order to attract and maintain economic growth and achieve a prosperous Lancashire for all, we need to demonstrate that Lancashire means business and provide reassurance that we have strong, robust governance arrangements in place and a commitment to work together.

The Lancashire Combined Authority will provide a legally constituted body operating across Lancashire to take strategic decisions on transport, economic development and regeneration and strengthen the relationship with the Lancashire Enterprise Partnership (LEP) and local authorities.

Lancashire has one of the largest local economies in the North of England generating over £25bn GVA, with over 45,000 businesses supporting 700,000 jobs. A Lancashire Combined Authority will ensure Lancashire is able to reach its full economic potential. The Government have been clear that it wants to deal with local government on economy, planning, housing and skills through a Combined Authority arrangement. For Lancashire County Council, a Lancashire Combined Authority will be:

- A single voice for Lancashire in the debate about the future of the North. Neighbouring areas already have powerful voices through their Combined Authorities and are shaping the 'Northern Powerhouse'. Lancashire needs a strong voice to influence the debate.
- A focus for driving economic growth. When new funding arrangements for Local Government are fully implemented, councils will be reliant on business rates to fund services. A Combined Authority and the potential additional investment, offers the strongest way to impact on our business rate.

- An opportunity for councils to influence and shape the work of the LEP and the funding streams which the Government distributes through the LEP. The Scheme of Governance sets out that the Combined Authority would include local authorities and the LEP within its governance structure.
- An opportunity to influence and contribute to a 'Lancashire Plan' on economy, skills, development and shape how Lancashire's priorities and investments are decided.
- An opportunity to influence what the strategic transport priorities are locally, across Lancashire and at a regional level and provide a strong voice for Lancashire in shaping the priorities for the Transport for the North.
- An opportunity to share capacity, expertise and experience in a co-ordinated way
- An opportunity to work collectively on the challenge of delivering sustainable public services in the future.
- An opportunity to work more closely across Lancashire and within Lancashire building on the City Deal partnership approach.

The Lancashire Combined Authority will operate within a Scheme of Governance which councils have already agreed. In summary the arrangements will be:

Membership	Local authorities in Lancashire, represented by Leader.
Voting arrangements	One vote per each local authority (excl transport).
Decision making	Unanimous agreement on strategic plans, investment strategy, annual budget, borrowing limits, adoption of freedoms and flexibilities, any changes to CA arrangements. All other decision 2/3 majority. There is no provision for Executive arrangements.
Decision making – transport	Transport planning and investment would be subject to unanimous agreement by three transport authorities.
Overview and Scrutiny	Scrutiny Committee with representation from authorities would be established.
Finance	No member allowances payable Councils to meet core costs (kept to a minimum)

Public Consultation

The Lancashire councils along with the LEP have recently undertaken a public consultation exercise. A summary of the response to the consultation is appended to this report for information. To ensure an independent, robust and coordinated

approach the councils in Lancashire commissioned Infusion Research to undertake the consultation.

The consultation was held from 11 January to 19 February 2016. Promotion of the consultation reached an estimated 444,000 people and over 15,000 people visited the consultation website over the six week period. Almost 2000 responses were received.

Of those respondents 70% strongly or tend to agree with the proposal to establish a Combined Authority for Lancashire. Of those who disagreed with the proposal, the main concern appears to be around where any resources would be focused and any adverse impact on local services.

Devolution

In developing the Combined Authority, Lancashire Leaders have been considering devolution proposals which could enable greater control, power and influence over a range of programmes and funding delivered in Lancashire. These include devolved funding for strategic transport and development; influence and/or control over employment and skills programmes and delivery; housing; growth funding and aligning investment activity.

Whilst there is a close link between Combined Authorities and devolution deals with the government, it is important to note that they are separate issues and subject to negotiation. A devolution deal would need the agreement of the constituent members of the Combined Authority.

Next Steps

This report seeks the agreement of the Council to become a constituent member of the Lancashire Combined Authority and signals to the Government that the authorities are committed to working together for a better Lancashire. A similar report is going to other councils throughout March and April. Subject to council decisions, a proposal to form a Lancashire Combined Authority will be submitted to the Government for consideration and negotiation.

In the interim period, it's recommended that the local authorities operate as a shadow Combined Authority using the guiding principles set out in the Scheme of Governance from July 2016.

Consultations

The report on the public consultation is attached to this report. Almost 2000 responses were received to the consultation during January and February of this year. There was overwhelming support for a Combined Authority in Lancashire with 74% respondents strongly or tending to agree that a partnership approach is important in Lancashire and 70% respondents strongly or tending to agree with the proposal to establish a Combined Authority in Lancashire.

Implications

This item has the following implications, as indicated:

Financial Implications

Officer resources have been made available by some authorities in supporting the Combined Authority development on an 'in kind' basis and it is envisaged that this will continue. At this stage there are no financial implications.

As per the agreed Scheme of Governance for the Combined Authority, approval of the annual budget including decisions on any levies, precepts or other demands for financial contribution from constituent authorities is subject to unanimous agreements by the constituent members.

Legal Implications

The powers to establish a Combined Authority are contained within the Local Democracy, Economic Development and Construction Act 2009 ("the Act") and The Cities and Local Government Devolution Act 2016.

A constitution for the Combined Authority will also be developed. The Council's own constitution will also be reviewed and any necessary amendments will be made.

A Parliamentary Order is needed to establish a Combined Authority.

Risk management

The large metropolitan and city regions in the North have all created combined authorities. If Lancashire, which is of similar scale and size to existing combined authorities, chooses to maintain its status quo, there is a real risk of losing out on devolved funding and the opportunity to influence at a regional and national level.

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

Paper	Date	Contact/Tel
N/A	N/A	N/A

Reason for inclusion in Part II, if appropriate

N/A

**Lancashire Combined Authority
Consultation Report
February 2016**

Contents

1	Executive Summary.....	3
1.1	Consultation response	3
1.2	Agreement with proposal	3
1.3	Key objectives.....	3
1.4	Other comments and feedback.....	3
2	Background and Methodology	4
2.1	Background.....	4
2.2	Methodology	4
3	Who Responded?.....	6
3.1	Local residents.....	6
3.2	Local authority employees	8
3.3	Businesses and organisations.....	9
3.4	Local councillors	10
4	Main Findings	11
4.1	Working in partnership	11
4.2	Proposal to establish a Combined Authority	11
4.3	Key objectives.....	13
4.4	Final comments and feedback	14
4.5	Specific feedback from businesses and organisations.....	15

1 Executive Summary

1.1 Consultation response

- 1,944 responses were received to the consultation on a proposed Combined Authority in Lancashire between 11 January and 19 February 2016
- 1,317 residents and 518 local authority employees took part in the consultation, as well as 35 businesses and organisations
- Promotion of the consultation reached an estimated 444,000 people and over 15,000 people visited the consultation website over a 6 week period

1.2 Agreement with proposal

- 74% of respondents strongly or tend to agree that a partnership approach is important in Lancashire
- 70% strongly or tend to agree with the proposal to establish a Combined Authority in Lancashire
- Local authority employees (79%) and businesses or organisations (82%) had a higher level of agreement with the proposal than residents (65%)
- Of those who disagree with the proposal, the main concerns appear to be around where any resources would be focused across the county and the adverse impact the proposal might have on local services

1.3 Key objectives

- The level of agreement with the identified objectives for the proposed Combined Authority is highest for a Prosperous and Connected Lancashire (81% strongly or tend to agree), followed by a Skilled Lancashire and Public Services Working Together (both 80%) and then Better Homes for Lancashire (74%)
- A range of other objectives for the proposed Combined Authority were suggested by respondents, including a 'Greener Lancashire', an 'Equal Lancashire' and a 'Listening Lancashire'

1.4 Other comments and feedback

- Final comments were varied with the most important issues seeming to be achieving a balance between local identity and a strong strategic voice for Lancashire, as well getting the right structure and administration to achieve efficiencies without impacting on local service delivery

2 Background and Methodology

2.1 Background

A Combined Authority is a formal legal arrangement which supports and enables collaboration and co-ordination between two or more local government areas on transport, regeneration and economic growth as well as skills, housing and employment. It is intended to support increased democratic accountability and transparency complementary to that provided by the Local Enterprise Partnerships (LEPs) to a major area of local government policy making. Each of the councils that are members of a Combined Authority remain separate authorities; the Combined Authority is a mechanism to work more effectively and formally in partnership.

A Governance Review was requested by Leaders across Lancashire in order to determine whether the existing arrangements are effective or would benefit from change. As part of the Review an options appraisal was undertaken and consideration was given to arrangements including – enhanced status quo, Joint Committee, Economic Prosperity Board, Integrated Transport Authority and Combined Authority.

The Review concluded that a Combined Authority offers the strongest governance model to attract freedoms and flexibilities from the Government and will enable a cohesive approach across Lancashire to a range of issues including developing better and broader skills provision, including entry level skills; more co-ordinated infrastructure planning with improved use of resources; more co-ordinated approach to housing provision; more co-ordinated approach to business growth.

Councils across Lancashire agreed to undertake a public consultation on the proposal to establish a Combined Authority and seek views on the Governance Review and Draft Scheme of Governance.

After consideration of the outcome of public consultation, authorities wishing to form a Combined Authority would then submit a proposal to the Secretary of State for consideration.

2.2 Methodology

To ensure an independent, robust and coordinated approach to the public consultation, councils in Lancashire commissioned Infusion Research. This is a not-for-profit local government research service which has operated across the county for over ten years.

The primary method was a consultation website, hosted on the Infusion website. This set out information on the proposal, including supporting documents such as the Governance Review and Draft Scheme of Governance, and provided respondents the opportunity to have their say through an online survey. Moreover, to ensure access to a paper-based survey for those who may not use the internet, copies were made available at libraries across Lancashire.

The consultation went live on Monday 11 January and closed on Friday 19 February 2016, giving respondents six weeks to have their say on the proposal. As an open consultation, the primary purpose was to seek views from any resident, employee, organisation or business wishing to express an opinion. Whilst the findings are not representative of the population as a whole, they indicate the level of interest and general views of the most engaged.

During this time a proactive, coordinated approach was taken to communicating and promoting the consultation. This included:

- Signposting to the central consultation website from each local authority website
- Regular social media posts from Lancashire councils as well as online promotion from Marketing Lancashire and several references to the consultation on local radio
- 50 online and written news articles about the consultation
- Email alerts to a range of local resident panels and databases
- Direct invitations to a comprehensive list of local and regional stakeholders and businesses at the beginning of the consultation, with a reminder sent part way through

This level of promotion resulted in a combined reach of 444,406 people through social media and new articles, and a total of 15,539 views of the consultation website during the consultation period. A total of 1,944 responses were received to the consultation, comprising of 1,897 online survey submissions, 41 paper survey returns and 8 direct written responses (two of which duplicated an online submission).

Within this report any percentages reported are based on the number of responses to each individual question (referred to herein as the 'base' total). Any open-ended comment questions have not been quantifiably categorised at this stage but a summary of some of the common responses is provided for each question to give a feel for the comments received. These summaries should not be interpreted as being representative of the views of all respondents to the consultation.

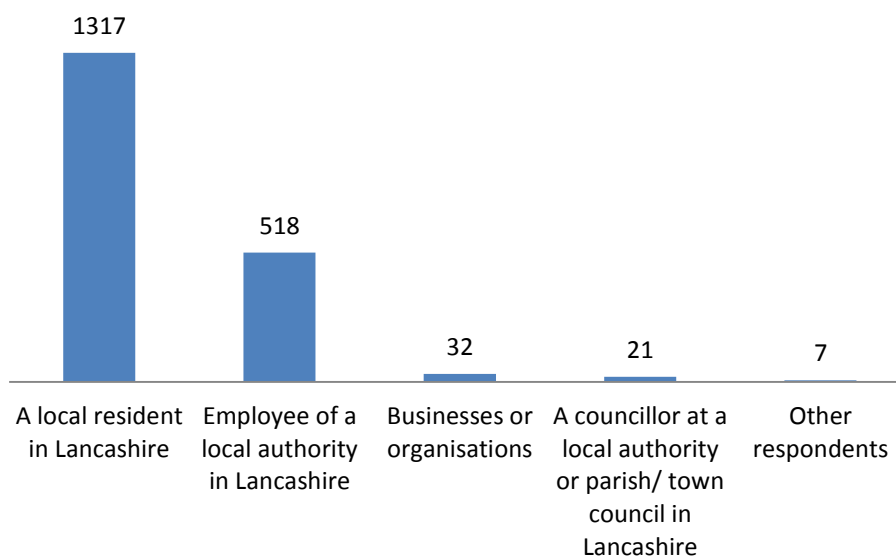
Apply some caution to the percentages expressed for business/ organisation and councillor categories where the 'base' totals are low.

3 Who Responded?

Of the people who indicated their response type in the consultation, 69% were local residents in Lancashire and a further 27% were local authority employees in the county.

48 respondents did not indicate in what capacity they were completing the consultation survey. In addition to the survey returns, 8 written responses were received (two of which duplicated an online submission).

Figure 3.1: Are you responding as...? (Q1, base – 1888)



3.1 Local residents

Of those residents who provided their home postcode, nearly half live in a PR postcode area which covers Chorley, Leyland and Preston.

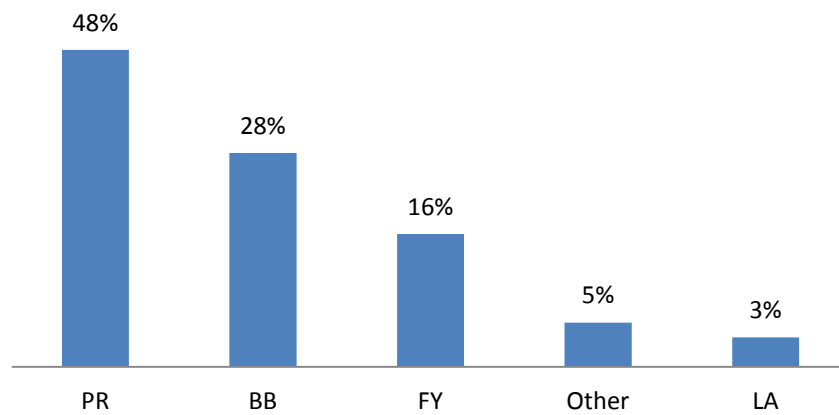
The BB postcode area covers much of East Lancashire, including Blackburn, Burnley, Pendle, Accrington and Clitheroe.

The FY postcode area covers the Fylde Coast, including Blackpool, Fleetwood, Lytham St Annes and Thornton-Cleveleys.

The LA postcode area covers Lancaster and surrounding areas such as Carnforth and Morecambe.

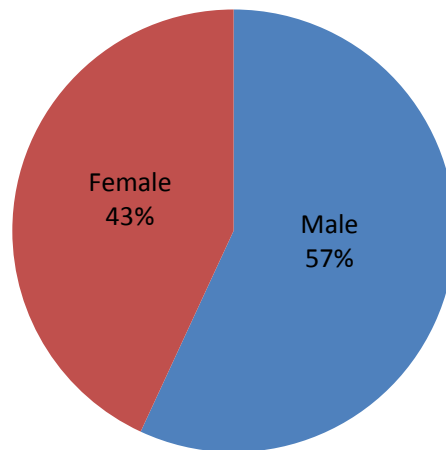
A range of other postcodes were captured from areas of Lancashire including BL (outlying areas of Blackburn, Chorley and Rossendale), OL (outlying areas of Rossendale) and WN (covering parts of West Lancashire such as Skelmersdale).

Figure 3.2: What is your home postcode? (Q8, base – 1269)



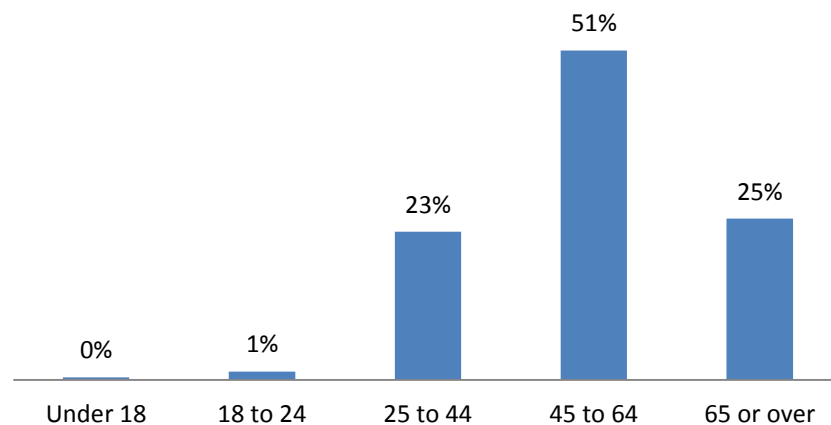
More male residents than female residents responded to the consultation.

Figure 3.3: What is your gender? (Q9, base – 1288)



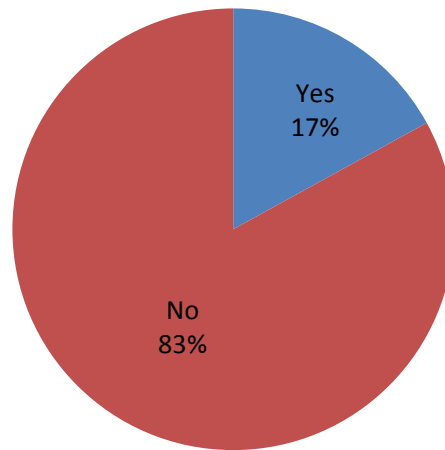
Around half of residents who responded to the consultation were aged between 45 and 64. One in four were aged 65 or over and 23% between the ages of 25 and 44.

Figure 3.4: Which age group do you belong to? (Q10, base – 1304)



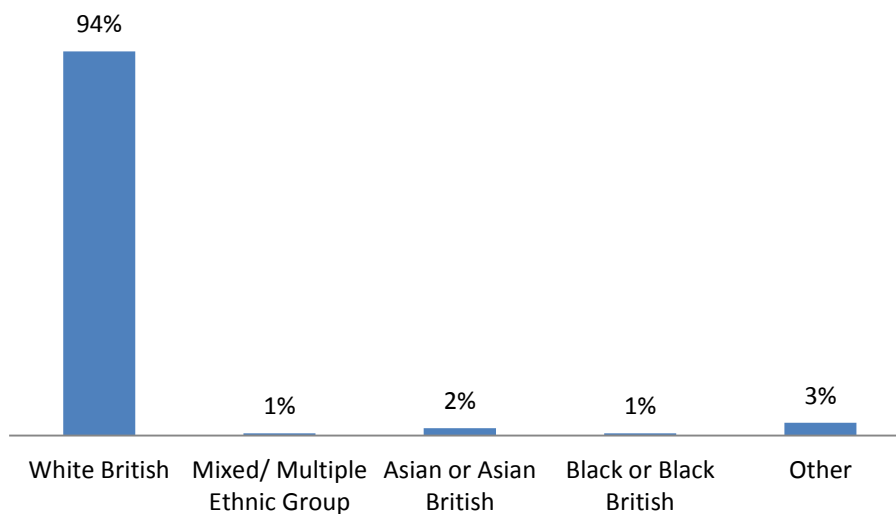
17% of local residents who responded to the consultation indicated that they have a long standing illness or disability.

Figure 3.5: Do you have a long standing illness or disability? (Q11, base – 1272)



The majority of residents responding to the consultation indicated that they are of White British ethnicity.

Figure 3.6: What is your ethnic origin? (Q12, base – 1279)

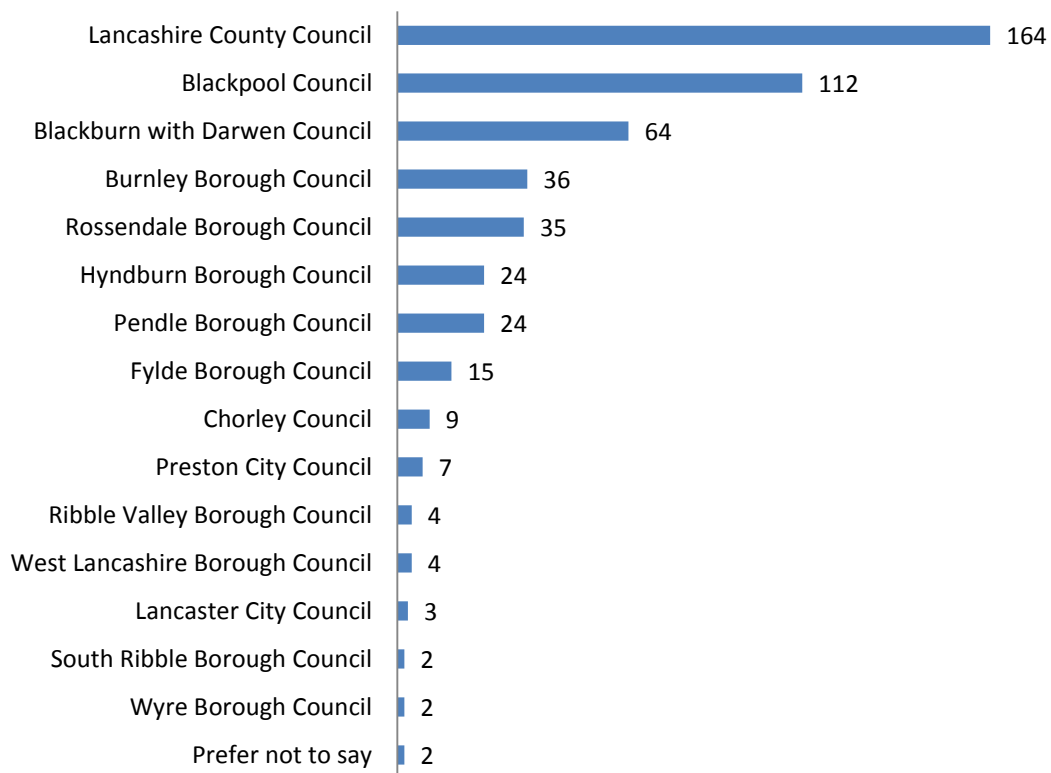


3.2 Local authority employees

Nearly a third of local authority employee responses to the consultation came from those working at Lancashire County Council.

The unitary councils of Blackpool and Blackburn with Darwen cumulatively account for a further 35% of the local authority employee responses.

Figure 3.7: Which local authority do you work for? (Q1c, base – 507)



3.3 Businesses and organisations

Of the 35 businesses and organisations who provided their details, either through the survey or via direct written response, 15 came from private businesses across the county. 12 responses to the consultation came from representatives within the voluntary and third sector. This included an enterprise trust and a number of local community groups. A further 8 were from public services representatives covering sectors including health, universities, police and an already established combined authority.

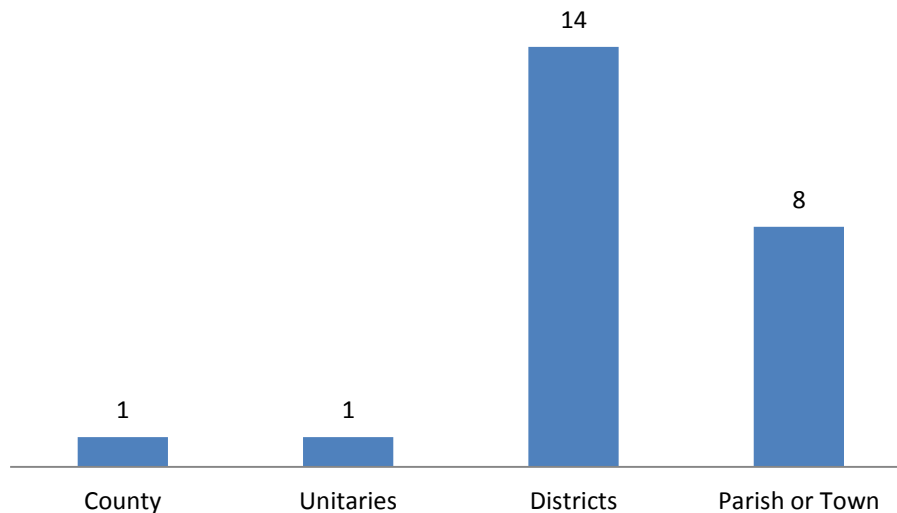
Figure 3.8: Which business or organisation do you represent? (Q1a, base – 35)



3.4 Local councillors

Of the 24 local councillor respondents who indicated the authority they are at, 14 came from district councils across Lancashire and 8 responses were from local parish or town councillors. Note that some parish councillors responded as 'other' which is why the base total exceeds the response level from councillors in Q1.

Figure 3.9: Where are you a councillor at? (Q1d, base – 24)



Moreover, one written response was received from a local Member of Parliament which expressed overall support for the proposal to establish a Combined Authority in Lancashire.

4 Main Findings

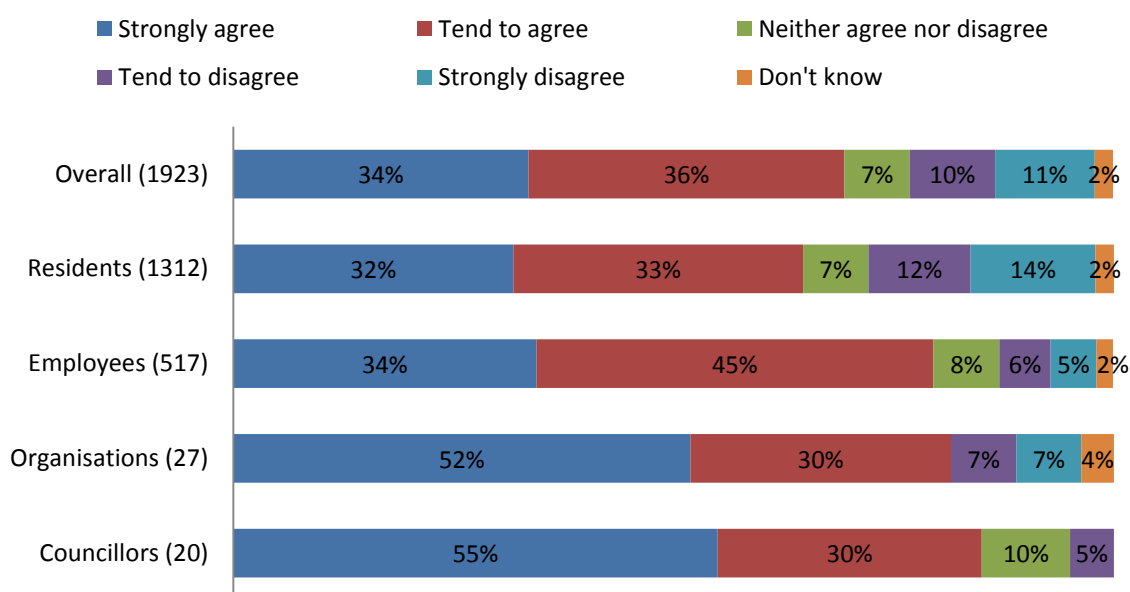
4.1 Working in partnership

74% of consultation respondents strongly or tend to agree that councils in Lancashire working together with businesses and other partners to drive forward transport, economic development and skills in the area is important.

This level of agreement is highest amongst local authority employees in Lancashire (83% strongly or tend to agree).

70% of local residents strongly or tend to agree that this partnership approach is important in Lancashire, 19% strongly or tend to disagree.

Figure 4.1: To what extent do you agree or disagree that this partnership approach is important in Lancashire? (Q2, bases in brackets)



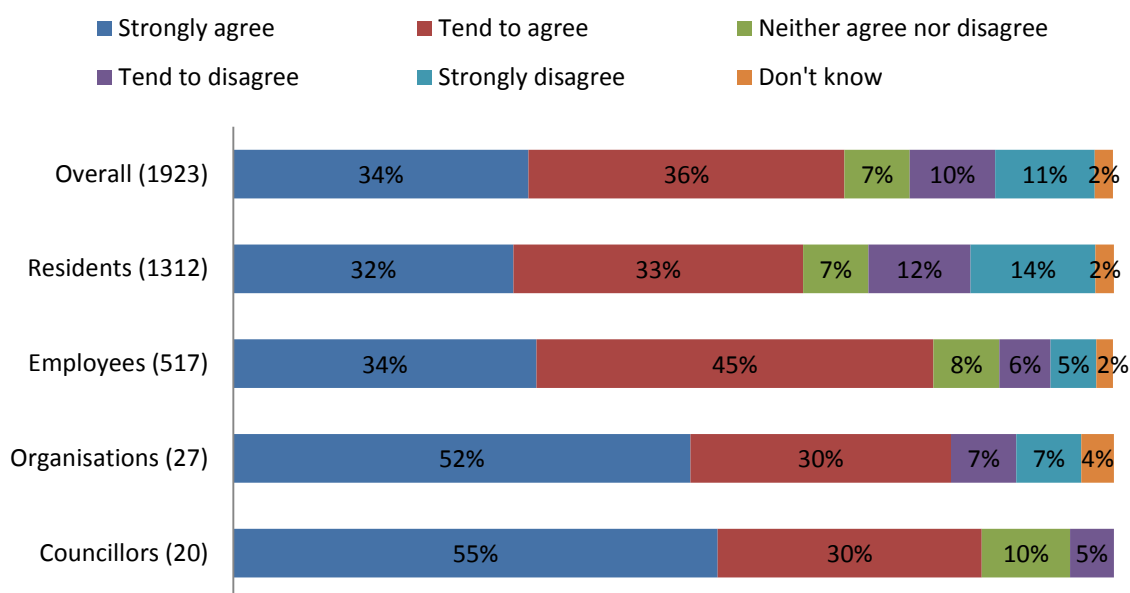
4.2 Proposal to establish a Combined Authority

After setting out the proposal to establish a Combined Authority in Lancashire, 70% of respondents strongly or tend to agree with this proposal. Additionally, each of the 8 written responses from organisations including local CCGs, a University and an existing Combined Authority supported the proposal, with some further comments on partnership working and the focus of the Combined Authority.

The level of agreement is highest amongst local authority employees (79%) and organisations or businesses (82%).

65% of local residents strongly or tend to agree with the proposal to establish a Combined Authority in Lancashire, 26% strongly or tend to disagree. This level of disagreement rises to 34% in the FY postcode area.

Figure 4.2: To what extent do you agree or disagree with establishing a Combined Authority in Lancashire? (Q3, bases in brackets)



Of those who disagree with the proposal to establish a Combined Authority in Lancashire, the main reasons appear to be:

- A view that this would add an unnecessary layer of bureaucracy in local government and public services and become 'distant' from residents
- Some concern that parts of the county would get more than others in any combined arrangement, either with resources focused on larger populations or those areas considered more 'in need'
- A belief that the local needs and profiles of different areas would not be adequately addressed through a combined authority
- A perception that this would result in reduced services for local residents due to redundancies and consolidation of services
- Some concern that decision making and processes could be slowed down by centralising through a combined authority
- Some queries around what impact it would have on local Council Tax rates across the county
- Not having enough detailed information about the proposed Combined Authority to make a judgement

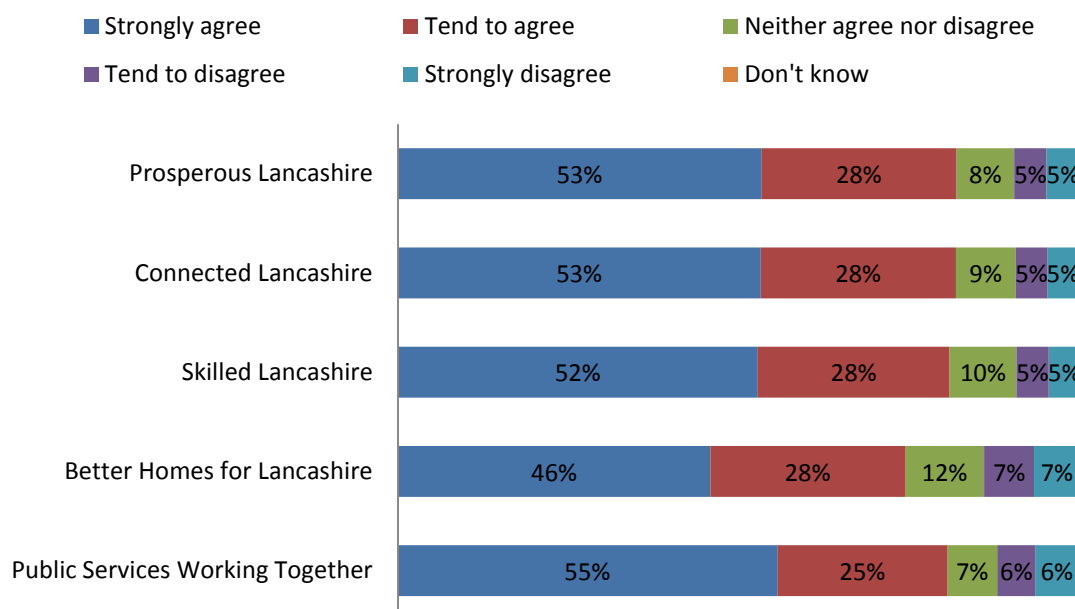
4.3 Key objectives

Five key objectives for the proposed Combined Authority were set out in the consultation:

- A **Prosperous Lancashire** that is recognised as a destination of choice, to do business in, live or visit.
- A **Connected Lancashire** with digital and transport connectivity across the county and to neighbouring areas.
- A **Skilled Lancashire** which can meet the demands of employers and future business growth, supporting employment opportunities for residents.
- **Better Homes for Lancashire** where residents have better living standards with good quality homes and a wide housing offer.
- **Public Services Working Together** with integrated public services.

Generally, the level of agreement was high with the identified objectives for the proposed Combined Authority. 81% agree with a Prosperous and Connected Lancashire, 80% agree with a Skilled Lancashire and Public Services Working Together and 74% with Better Homes for Lancashire.

Figure 4.3: To what extent do you agree or disagree with the objectives identified for the proposed Combined Authority? (Q5, base – 1909)



People responding to the consultation were also given the opportunity to set out any other objectives they think the proposed Combined Authority should have. In addition to reaffirming some of the objectives above, the main suggestions include:

- A 'Greener Lancashire' with more focus on the environment and green spaces, reducing pollution, increasing energy efficiency and sustainability and creating a cleaner county with less litter
- A 'Healthy Lancashire' where local health services are joined up, there is more focus on wellbeing and mental health, vulnerable people are protected and people are happier
- An 'Equal Lancashire' with a commitment to tackling social, regional and health inequalities
- A 'Listening Lancashire' with customer focus which is responsive and with more emphasis on democratic accountability and transparency, particularly at a local level, communicating and listening to residents
- An 'Educated Lancashire' with better education systems and performing schools to meet demand
- A 'Safer Lancashire' with lower levels of crime and more safeguarding for children, young people and other vulnerable residents

4.4 Final comments and feedback

Finally, the consultation invited any other comments on the proposal to establish a Combined Authority in Lancashire. Specifically, respondents were asked to think about how the proposed Combined Authority might impact on the identities and interests of local communities and securing effective and convenient local government, as well as views on the constitutional arrangements and functions within the draft scheme and how it can work together with the Local Enterprise Partnership.

874 comments were received on a range of topics and issues, including:

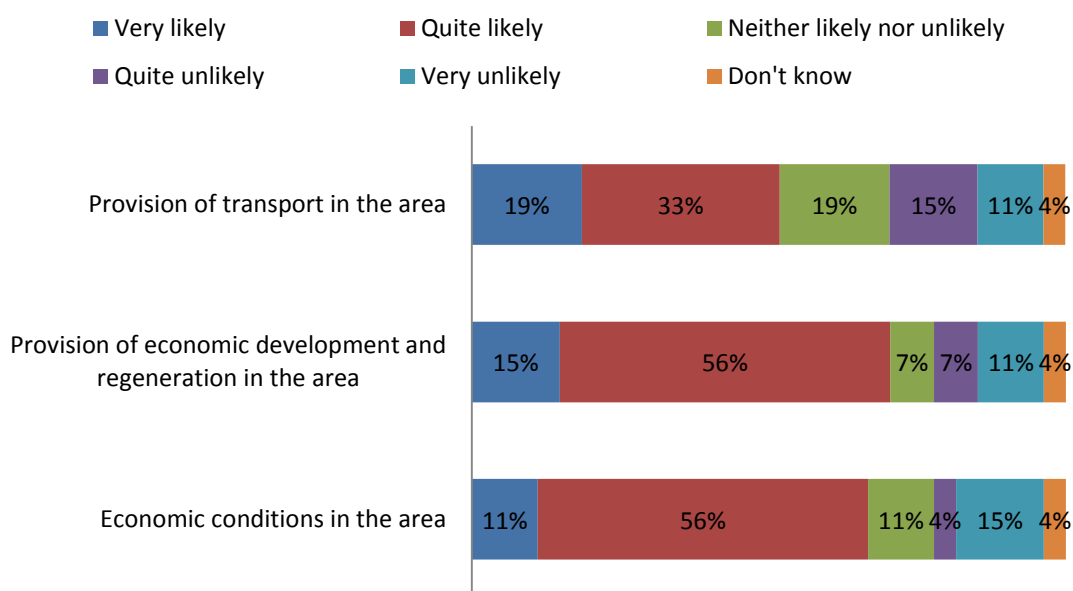
- The importance of maintaining local identity, local decision making and fair spend across localities under any combined arrangement
- A number of different suggestions around the structure and administration, including merges, a unitary Lancashire authority and combinations on different footprints
- General supportive comments for the proposal, with a sense that it would reduce duplication and ensure service delivery is more efficient
- Some hope that the proposed Combined Authority would give Lancashire a stronger, louder voice, particularly on key strategic issues
- Some concern around potential impact on job losses and as a result reduced capacity to deliver local services

4.5 Specific feedback from businesses and organisations

In addition to the core questions within the consultation, businesses and organisations were asked whether they thought the proposed Combined Authority would improve transport and economic development in Lancashire.

Of the 27 businesses or organisations who responded to the question, 71% feel it is very or quite likely that the Combined Authority would improve the provision of economic development and regeneration in the area. Just over half (52%) feel it is very or quite likely that the proposal would improve provision of transport in Lancashire.

Figure 4.4: How likely or unlikely do you consider it that the proposed Lancashire Combined Authority would improve...? (Q13, base – 27)



Some businesses and organisations had comments to make about their response to the above question. A range of comments were made, including the need for effective communication and processes to help businesses and some risks around the distribution of resources and the impact it could have on rural areas with transport cited as an example.

A mix of views were expressed when asked how the proposed Combined Authority might impact on the identities and interests of local communities. Some feel it will enhance Lancashire's influence regionally and nationally, restore the 'proud name of Lancashire' and help share best practice across the county. Some feel it will be a challenge to bring different areas together where demographics and socio-economics vary, as well as a perception that less populated areas may be neglected through any arrangement.

Businesses and organisations were then asked how the proposed Combined Authority might impact on securing effective and convenient local government. A number of comments centred on creating a single, unified voice incorporating other public services who act together on big strategic issues. At the same time any arrangement should remain accessible to local people and any sharing of departments should be efficient and effective.

A range of comments were made in relation to how the proposed Combined Authority and Local Enterprise Partnership (LEP) could work together. Suggestions included allowing the LEP to vote on some Combined Authority matters, the LEP acting as a sub-committee of the Authority, a role of the Combined Authority to shape the agenda of the LEP and a shared strategy for supporting and developing small businesses.

Final comments made by businesses and organisations included reiterating support for the proposal and the positive impact it could have on Lancashire if implemented successfully, suggestions around the management and structure of the proposed Combined Authority, effective support for businesses across the county and ensuring issues such as health and rurality have a higher profile in Lancashire.

Meeting of the Full Council
Meeting to be held on 24 March 2016

Report submitted by: Head of Legal and Democratic Services

Part A

Electoral Division affected:
None;

The Localism Act 2011 – Pay Policy Statement 2016/17
(Appendix A refers)

Contact for further information:
Chris Mather, Tel: 01772 533559, Democratic Services Manager,
chris.mather@lancashire.gov.uk

Executive Summary

This report sets out the County Council's proposed 2016/17 Pay Policy Statement as required by the Localism Act 2011.

Recommendation

The Full Council is asked:

- i. To consider the recommendations of the Employment Committee and approve the 2016/17 Pay Policy Statement.
- ii. To approve the annual adjustment to the Living Wage for centrally employed staff for 2016/17 as set out in the report and to agree to recommend school governing bodies to adopt the same adjustment.

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 2016/17 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 sees 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.

Updated Pay Policy Statement

The Employment Committee at its meeting on 15 March 2016 will consider a report on the proposed Pay Policy Statement for the financial year 2016/17. A copy of the proposed Pay Policy Statement is attached at Appendix A. The Pay Policy Statement must be approved by the Full Council before it comes into force and the recommendations of the Employment Committee in respect of the proposed Pay Policy Statement and the uplifting of the Living Wage rate, as mentioned below, will be reported orally at the meeting of Full Council.

The Pay Policy Statement also 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 no change from the figure 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.

With effect from 1 April 2014 Full Council agreed to the Council becoming a Living Wage employer. To obtain this accreditation the Council was required to commit to adjusting the Living Wage rate within 6 months of any annual uprating. For the financial year 2016/17 the Living Wage Foundation has increased the existing rate by 5% to £8.25.

The additional cost pressure has been reflected in the Medium Term Financial Strategy. A report in relation to the implications of future increases in the Living Wage rate, including both cost pressures and the Council's grading structure, will be presented to the Employment Committee for consideration in due course.

The Full Council is asked to consider the recommendations of the Employment Committee in respect of uplifting the Living Wage rate from 1 April 2016.

Consultations

The proposed Pay Policy Statement for 2016/17 has been shared with the recognised trade unions at the Joint Negotiating and Consultative Forum.

Implications:

This item has the following implications, as indicated:

Risk management

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

Financial

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

The financial implications of Full Council approving the increase in the Living Wage are in the region of £1.2m, the cost of which has been included within the Medium Term Financial Strategy.

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

Paper	Date	Contact/Tel
Openness and accountability in local pay: Guidance under section 40 of the Localism Act	February 2012	Katie Dunne (01772) 535787
Openness and accountability in local pay: Guidance under section 40 of the Localism Act (Supplementary Guidance)	February 2013	Katie Dunne (01772) 535787
Reason for inclusion in Part II, if appropriate		
N/A		

Annual Pay Policy Statement 2016/17 (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 2016. 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 alongside the supplementary guidance issued in February 2013.

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 grade/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, unless employees have subsequently been appointed to a post that is paid in accordance with the Lancashire Pay Spine, 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 Council;
 - Employees who have retained terms and conditions of employment from other employers following a TUPE transfer to the 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, heads of service 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 Director of Governance, Finance and Public Services);
 - A statutory chief officer (the Director Adult Services, the Director Children's Services, the Director of Financial Resources and the Director of Public Health and Wellbeing). The Director of Children's Services post is currently being undertaken on a secondment basis by the Director of Children's Services for Blackburn with Darwen Council. The postholder is

simultaneously serving as Director of Children's Services for both Councils during this period, on an equal split basis, for an initial six month period from 3 February 2016.

- A non-statutory chief officer (the Corporate Director Commissioning and Deputy Chief Executive, Corporate Director Operations and Delivery 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 grades and above are as determined by the National Joint Council (NJC) for Local Government Services ('Green Book') 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. This also applies to the Chief Executive with the exception of an additional provision relating to remuneration in relation to acting as returning officer (see below) and a time limited restriction on re-employment.
- 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 grade/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 April 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.

Corporate Directors

The current basic salary package for posts designated as Corporate 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) - £78,091 (D1 76) rising to £85,717 (D1 80)
- Director Grade 2 (D2) - £87,415 (D2 81) rising to £95,044 (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.

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 any nationally agreed pay settlement negotiated through the NJC for Local Government Services.

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 2016) (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 to 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, Corporate Directors, Monitoring Officer and Chief Financial Officer, collectively referred to as 'senior officers' to the Employment Committee. The Chief Executive and other senior officers 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.

- 2.9.2 Remuneration on appointment is at a scale point within the evaluated grade for the post, having regard to the qualifications and experience of the successful candidate.
- 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 under the Relocation Scheme is £6,639 net of VAT (as at 1 April 2015) plus an additional discretionary element of £2,000 is payable in exceptional circumstances. The Employment Committee have further discretion to agree to relocation allowances outside the provisions of the Relocation Scheme where they consider this to be reasonable and appropriate.
- 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 an appropriate 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.

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 voluntary redundancy to base any payments on an employee's actual week's pay (the discretion is also currently applied to compulsory redundancy but this is due to end on 31 March 2016). 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 1.4 (as at 1 January 2016), subject to a maximum of 42 weeks. Compulsory redundancy payments are based upon the statutory redundancy payments scale only.

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 2016) 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 Council became a Living Wage employer. All employees (as at 1 January 2016) are paid a minimum of £7.85 per hour, which is the equivalent of £15,145 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). The Council has committed to adjusting its Living Wage rate within six months of the national rate being updated, subject to Full Council approval.

3.3 As at 1 January 2016, the lowest grading level within the Lancashire pay spine is Living Wage Grade 2, which encompasses a single point (10 LW) of £15,145 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 grade/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 and Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 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.
- 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 2015 are as set out below:

<u>Pensionable pay range</u>	<u>Employee Contribution Rate</u>
Up to £13,600	5.5%
£13,601 to £21,200	5.8%
£21,201 to £34,400	6.5%
£34,401 to £43,500	6.8%
£43,501 to £60,700	8.5%
£60,701 to £86,000	9.9%
£86,001 to £101,200	10.5%
£101,201 to £151,800	11.4%
£151,801 or more	12.5%

Teachers' Pension Scheme (applicable to those employees whose pay and conditions of service are determined by the Joint Negotiating Committee for Youth and Community Workers and employees on 'Red Book' pay and conditions of service who are employed within Lancashire Adult Learning) – contribution rates effective from April 2015

<u>Annual Salary Rate</u>	<u>Employee Contribution Rate</u>
Up to £25,999.99	7.4%
£26,000 to £34,999.99	8.6%
£35,000 to £41,499.99	9.6%
£41,500 to £54,999.99	10.2%
£55,000 to £74,999.99	11.3%
£75,000 and above	11.7%

The employer contribution rate from September 2015 is 16.48%.

NHS Pension Scheme (applicable to those employees who are able to retain membership of the NHS Pension Scheme) – 2015/16 through to 2018/19 rates

<u>Full Time Equivalent Salary</u>	<u>Employee Contribution Rate</u>
Up to £15,431.99	5.0%
£15,432.00 to £21,477.99	5.6%
£21,478.00 to £26,823.99	7.1%
£26,824.00 to £47,845.99	9.3%
£47,846.00 to £70,630.99	12.5%
£70,631.00 to £111,376.99	13.5%
£111,377.00 and over	14.5%

From 1 April 2015, the employer contribution rate for scheme years 2015/16 through to 2018/19 is 14.3%.

Lancashire Pay Spine

The Lancashire pay spine below contains the grades and salaries with effect from 1 April 2015.

SCP	£ (Annual)	Monthly Salary	Hourly Rate	Grades	Notes
5	13,500	1,125	7.00	Grade 1	<i>until 1 October 2015</i>
6	13,614	1,135	7.06	164 - 229 NJC points	Only to be used for apprentice posts
10 (LW)	15,145	1,262	7.85	LIVING WAGE Grade 2 230 - 254 NJC points	Minimum pay level for all other posts
11	15,207	1,267	7.88	LIVING WAGE Grade 3	
12	15,523	1,294	8.05	255 - 299 NJC points	
13	15,941	1,328	8.26		
14	16,231	1,353	8.41		Grade 4
15	16,572	1,381	8.59		300 - 359 NJC points
16	16,969	1,414	8.80		
17	17,372	1,448	9.00		
18	17,714	1,476	9.18	Grade 5	
19	18,376	1,531	9.52	360 - 419 NJC points	
20	19,048	1,587	9.87	158 - 186 Hay points	
21	19,742	1,645	10.23		
22	20,253	1,688	10.50		Grade 6
23	20,849	1,737	10.81		420 - 479 NJC points
24	21,530	1,794	11.16		187 - 222 Hay points
25	22,212	1,851	11.51		
26	22,937	1,911	11.89		
27	23,698	1,975	12.28	Grade 7	
28	24,472	2,039	12.68	480 - 539 NJC points	

29	25,440	2,120	13.19	223 - 264 Hay points	
30	26,293	2,191	13.63		
31	27,123	2,260	14.06		
32	27,924	2,327	14.47		Grade 8
33	28,746	2,396	14.90		540 - 599 NJC points
34	29,558	2,463	15.32		265 - 313 Hay points
35	30,178	2,515	15.64		
36	30,978	2,582	16.06		
37	31,846	2,654	16.51	Grade 9	
38	32,778	2,732	16.99	600 - 659 NJC points	
39	33,857	2,821	17.55	314 - 373 Hay points	
40	34,746	2,896	18.01		
41	35,662	2,972	18.48		
42	36,571	3,048	18.96		Grade 10
43	37,483	3,124	19.43		660 - 719 NJC points
44	38,405	3,200	19.91		374 - 443 Hay points
45	39,267	3,272	20.35		
46	40,217	3,351	20.85		
47	41,140	3,428	21.32	Grade 11	
48	42,053	3,504	21.80	720 - 779 NJC points	
49	42,957	3,580	22.27	444 - 526 Hay points	
50	43,875	3,656	22.74		
51	44,826	3,736	23.23		Grade 12
52	45,727	3,811	23.70		780 - 849 NJC points
53	46,659	3,888	24.18		527 - 645 Hay points
54	47,595	3,966	24.67		
55					
56				Not Used	
57					
58	52,671	4,389			
59	53,662	4,472		Grade 13	
60	54,657	4,555		850 - 909 NJC points	
61	55,272	4,606		646 - 765 Hay points	
62	56,356	4,696			

63	57,439	4,787		
64				
65				Not Used
66				
67	62,101	5,175		
68	63,296	5,275		Grade 14
69	64,485	5,374		910 - 969 NJC points
70	65,451	5,454		766 - 909 Hay points
71	66,767	5,564		
72	68,077	5,673		
73				
74				Not Used
75				
76	78,091	6,508		
77	79,995	6,666		D1
78	81,904	6,825		
79	83,810	6,984		910 - 1065 Hay points
80	85,717	7,143		
81	87,415	7,285		
82	89,324	7,444		D2
83	91,231	7,603		
84	93,140	7,762		1066 - 1194 Hay points
85	95,044	7,920		
86	105,000	8,750		
87	107,500	8,958		D3
88	110,000	9,167		
89	112,500	9,375		1195 - 1339 Hay points
90	115,000	9,583		
91	118,884	9,907		
92	121,467	10,122		ED
93	124,044	10,337		
94	126,624	10,552		1340 - 2060 Hay points
95	129,201	10,767		
96	170,000	14,167		CE

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. See arrangements below for bank holidays that fall on a Saturday or Sunday over the Christmas and New Year period.

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 services 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	<p>Designated First Aider - £104 per annum.</p> <p>Designated deputy First Aider - £52 per annum.</p>	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 Allowance	£7.10 per week	Lancashire agreed term and condition, increased in line with NJC for Local Government Services pay awards. Rate wef 1 January 2015.

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.

Bank Holidays Falling on a Saturday or Sunday over the Christmas and New Year Period:

The following arrangements will apply where a bank holiday falls on a Saturday or Sunday over the Christmas and New Year period:

- Where employees are required to work on either the bank holiday as it falls or on the substitute public holiday they will receive bank holiday pay and time off with pay at a later date (in line with the arrangements above) for working on

the actual bank holiday, and no bank holiday pay but time off with pay at a later date for working on the substitute day.

- Where employees are required to work on both the bank holiday as it falls and on the substitute public holiday they will receive bank holiday pay and time off with pay at a later date (in line with the arrangements above) for working on the actual bank holiday, and no bank holiday pay or time off with pay at a later date for working on the substitute day.

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 - £7.01</p> <p>Lunch - £7.21</p> <p>Dinner/Evening Meal - £11.94</p>	<p>1 April 2015</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 - £0.99</p> <p>Dinner/Main Meals - £1.71</p> <p>Tea - £0.48</p> <p>Snack Supper - £0.79</p> <p>-----</p> <p>Total - £3.97</p> <p>For ease of administration, these rates may be used on the following basis:</p> <p>Weekly - £28.00</p> <p>Monthly - £121.37</p> <p>Per Annum - £1,456.46</p>	<p>1 April 2015</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 2015	Wherever possible overnight accommodation will be booked and

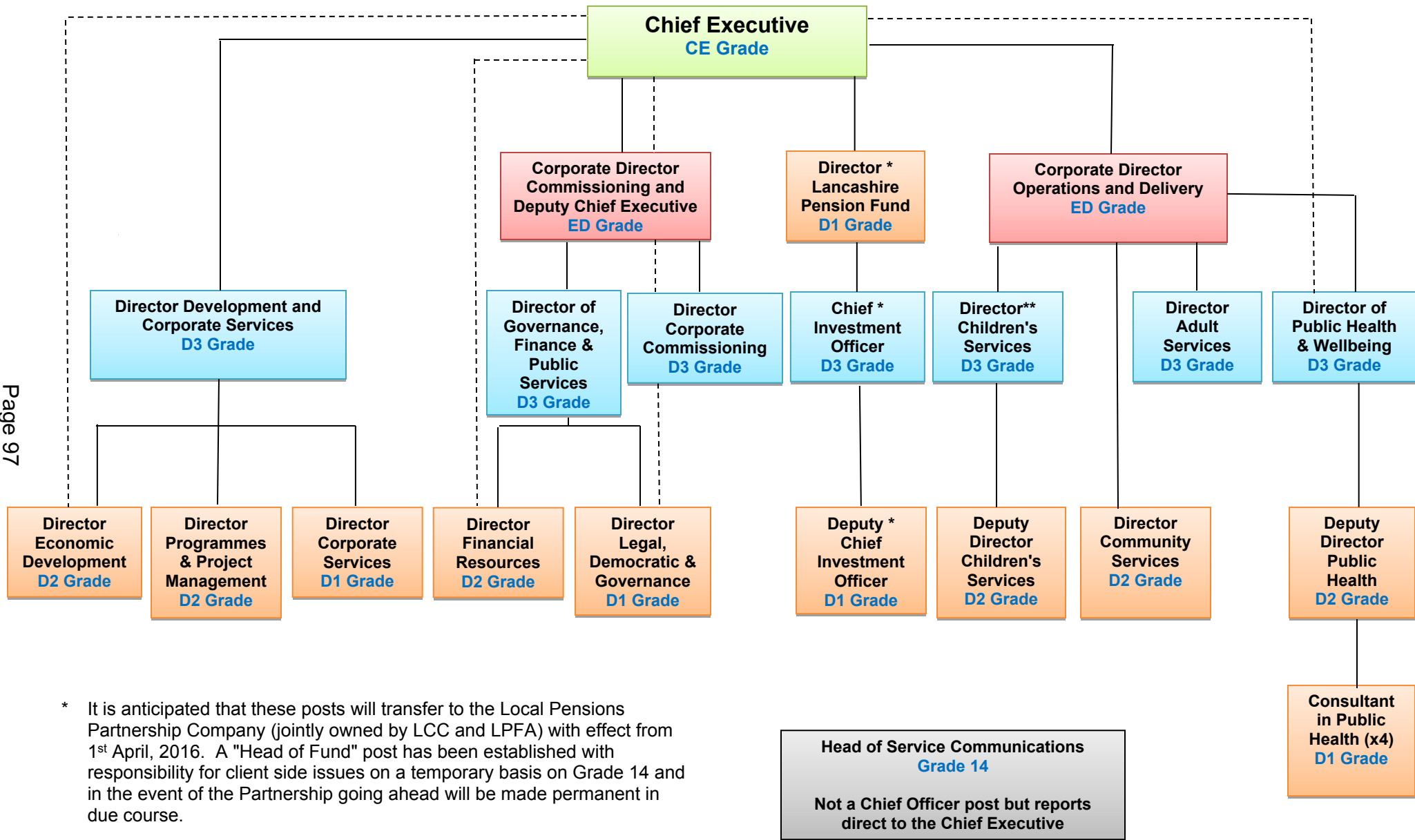
(including London) (CCAP)	<p>where it is not possible for the County Council to make a direct booking, the actual <u>receipted cost</u> of accommodation, including breakfast, will be reimbursed subject to the following maximum limits:</p> <p>On business in London - £147</p> <p>On business outside London - £128</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 £78.00 per day should be claimed and invoices/receipts need not be produced.</p>	<p>Flat rate amount effective from 1 April 2015.</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 £6,639 (net of 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 2015</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>Heads of Service 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 employees graded Director 1 and above on the Lancashire Pay Spine in receipt of a lease car or cash equivalent sum) 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.</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>1 April 2013</p> <p><u>Note:</u> This rate will be reviewed on 1 April each</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>

	15.0p per mile.	year.	The excess travel mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car. Excess travel will not be included in the calculation of the business mileage threshold for car users.
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)	The maximum amount of reimbursement is: For eyesight tests - £19.90 For spectacles - £49.00	5 February 2014	See DSE Guidance on Eye and Eyesight Tests .
Allowances for first aid qualifications (CCAP)	For designated first aid representatives - £104 per annum For designated deputy first aid representatives - £52 per annum 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.	N/A	Heads of Service have delegated authority to approve the number of first aiders and the payment of the appropriate First Aid allowance. See Guidance on the Health and Safety (First Aid) Provision .
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 £271.00 (excluding VAT)	1 July 2015 <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.
Professional body membership fees	For employees graded Director 1 and above on the Lancashire Pay Spine: Cost of professional body membership fee, expenses and paid leave of absence in connection with membership and attendance at meetings of one professional body (not a trade union or an organisation that has the objectives of a trade union). In addition, the Chief Executive may approve the payment of one additional fee to a separate body where it is considered to be in the interest of the County Council for membership to be maintained. In the case of the Chief Executive, the payment of an additional fee would be at the discretion of the Leader of the Council.	N/A	This is a former Chief Officer term and condition of employment and as such only applies to employees graded Director 1 and above on the Lancashire Pay Spine. Membership of the professional body and attendance at the meetings must be seen as being beneficial to the County Council.
Returning officer fee (CCAP)	Applies to the Chief Executive only: The fee payable is calculated in	N/A	The Chief Executive acts as Returning Officer for all Council elections. This additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of Council elections.

	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).		
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Page 97

* It is anticipated that these posts will transfer to the Local Pensions Partnership Company (jointly owned by LCC and LPFA) with effect from 1st April, 2016. A "Head of Fund" post has been established with responsibility for client side issues on a temporary basis on Grade 14 and in the event of the Partnership going ahead will be made permanent in due course.

** Additional temporary capacity has been brought in to lead on the improvement necessary as a result of the Ofsted report.

**Meeting of the Full Council
Meeting to be held on 24 March 2016**

Report submitted by: The Chief Executive

Part A

Electoral Division affected:
All

**Combined Fire Authority (CFA)
Appointment of County Council Representative 2015/16**

Contact for further information:

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Executive Summary

The appointment of a County Council representative to serve on the Lancashire Combined Fire Authority (CFA) until the Annual Meeting of Full Council in May 2016 following the sad death of County Councillor Richard Newman-Thompson.

Recommendation

The Full Council is asked to approve the appointment of a nomination from the Labour Group, to be confirmed at this meeting, until the Annual Meeting of the Full Council in May 2016.

Background and Advice

At its Annual Meeting on 21 May 2015 the Full Council approved the appointment of 19 County Council members to serve on the Combined Fire Authority. The political balance of County Council representatives on the Combined Fire Authority is 9 Labour, 8 Conservative, 1 Liberal Democrat and 1 Independent.

County Councillor Richard Newman-Thompson who was nominated to fill one of the Labour Group positions, sadly died on 22 February and the Labour Group now wish to make a further nomination to the Combined Fire Authority.

Consultations

N/A

Implications:

N/A

Risk management

There are no risk management issues arising from this report.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Directorate/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A