



Annual Council
16 May 2012

Report from the Director of Legal and Procurement

For Action

Wards Affected:
All

Changes to the Constitution and approval of the Pay Policy Statement

1.0 Summary

1.1 This report proposes minor changes to the Council's Constitution namely amendments to Standing Orders in relation to petitions and motions, the adoption of the Members' Allowance Scheme and also the formal approval of the pay policy statement.

2.0 Recommendations

Members are asked to:

- 2.1 Agree to amend the Constitution to incorporate the changes to the Standing Orders relating petitions as set out in Appendix 1.
- 2.2 Agree to amend the Constitution to incorporate the changes to Standing Orders in relation to motions as set out in Appendix 2.
- 2.3 Agree the Members Allowance Scheme as set out in Appendix 3.
- 2.4 Approve the pay policy statement attached at Appendix 4 as an accurate and factual representation of the Council's pay arrangements for 2012/13.

3.0 Detail

The amendments to the Standing Orders in relation to petitions

3.1 The Council's current petition arrangements were introduced on 13 September 2010 in response to the requirements of the Local Democracy, Economic Development and Construction Act 2009. This required the Council to put in place

a petition scheme, to provide e-petition facilities, set a threshold for a petition to trigger a Council debate and other procedural matters.

- 3.2 The Council asked that the scheme be reviewed after 6 months but the Constitutional Working Group decided in April 2011 that a longer period was needed to evaluate the scheme because the e-petition facility only went live in December 2010.
- 3.3 The Localism Act 2012 has now repealed the requirements to adopt a petition scheme and left it to the discretion of each authority to decide on how to approach petitions. Prior to the introduction of the current petition scheme, the Council had well established rules for dealing with petitions. Having regard to the change in the law the Constitutional Working Group now considers that the Council no longer needs a scheme in its current form and instead should amend Standing Orders to largely reflect the rules the Council previously had for dealing with petitions. It is proposed therefore to amend Standing Order 68 by removing the provision for petitions containing 5000 valid signatures or more to be debated at a Council meeting and petitions containing 2500 valid signatures or more to require a senior Council officer to give evidence at an overview and scrutiny committee. This is to make the process more transparent and to direct petitions to the decision maker as set out in the current Standing Order 68(e).
- 3.4 It is also proposed and the chairs of all the overview and scrutiny committees be notified of the receipt of petitions containing 50 or more valid signatures so that there is a greater awareness of the submission of petitions and the issues being raised.
- 3.5 There is no proposal to remove the provision for the submission of e-petitions.
- 3.6 Members are asked to approve the changes to the Constitution as set out in Appendix 1
- 3.7 It is proposed that guidance be produced to explain to people the new procedures for submitting petitions.
- 3.8 Following Members agreement, the Director of Legal and Procurement will update the electronic version of the Constitution available on the Council's intranet and internet sites to take account of the changes agreed by the Council.

The amendments to the Standing Orders in relation to Motions (Standing Order 45)

- 3.9 In response to concerns raised by members over the short time they have to consider any motions to be submitted to Council, the Constitutional Working Group agreed to amend Standing Order 45(c) so that motions could be circulated further in advance of the meeting. It is therefore recommended that Standing Order 45(c) be amended so that notice of motions to Council and copies thereof must be submitted to the Democratic Services Manager not less than 3 days before the meeting so that they can be circulated to all members at least 1 day before the meeting. In practice this would mean that motions would need to be submitted on

the Wednesday before a meeting of Council taking place on a Monday so that they can be cleared and circulated to all members on the Friday before the meeting.

- 3.10 Members are asked to approve the changes to the Constitution set out in Appendix 2.

Agreeing the Members' Allowance Scheme

- 3.11 The Members' Allowance Scheme forms Part 8 of the Council's Constitution. The Scheme was last reviewed and amended in September 2010 in accordance with the requirements set out in the Local Government (Members' Allowances) (England) Regulations 2003. There are no changes to the scheme recommended to members at this time. Although there are no changes proposed, the Regulations suggest that the Council should make such a scheme annually and accordingly members are asked to agree the Members' Allowance Scheme attached as Appendix 3.

Pay Policy Statement

- 3.12 The Localism Act 2011 Sections 39 – 43 requires that a pay policy statement be approved at a meeting of Full Council and that the policy be publicised each financial year beginning 2012 – 2013. The pay policy statement in draft form was approved by the General Purposes Committee on 27 March 2012 and has been published on the Council's website since that date.

- 3.13 The Act sets out the matters which must be included in an authority's pay policy statement as follows:

- the remuneration of its "chief officers";
- the remuneration of its "lowest-paid employees" (together with the definition of "lowest paid employees" adopted by that authority for the purposes of the statement, and the reasons for adopting that definition); and
- the relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.

- 3.14 For the purposes of the statement the Act defines who is included under the term "chief officer". It includes the Head of Paid Service (Chief Executive), the monitoring officer, the statutory chief officers (directors) as well as non-statutory chief officers and deputy chief officers (managers who report directly to a chief officer).

- 3.15 'Remuneration' is defined widely and includes not just basic pay/salary but also any bonuses, charges, fees e.g. election fees or allowances, benefits in kind, increases in/enhancements of pension entitlements and termination/severance payments. Remuneration in relation to employees who are not chief officers is also similarly widely defined.

- 3.16 The statement must set out the authority's policy on a number of specific aspects of chief officer remuneration:

- the level and elements of remuneration for each chief officer;
- the 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 final payments to chief officers when they leave the authority; and
- the publication of and access to information relating to remuneration of chief officers.

These are the policies a local authority complies with when appointing a chief officer or when a chief officer's employment is terminated.

- 3.17 The policy statement must be published on the authority's website and in any other manner the authority considers appropriate. There is no requirement to include specific numerical data on pay and reward within the statement. However, it is necessary to consider how the information in the statement fits in relation to the information authorities are already required to publish. For example, the Code of Recommended Practice for Local Authorities on Data Transparency and the Accounts and Regulations 2011.
- 3.18 The pay policy statement for Brent has been prepared incorporating all of the above requirements. The statement is attached to this report. There are no new proposals or policy changes attached to the statement as the information reflects current practice and is strictly factual in nature.
- 3.19 The introduction to the statement refers to the People Strategy 2010 -14 which sets out the Council's strategic priority to "build an agile and efficient workforce that adapts to change easily. This includes a review of financial and non-financial rewards and benefits currently offered by the council and the introduction of a simplified pay and grading scheme and a new core contract with standard terms and conditions. This review is being progressed but will not impact on the 2012/13 pay policy statement. Any changes arising out review which may impact on the statement will be included in the 2013/14 statement.
- 3.20 Brent's senior managers covered are those in the top three tiers in the management structure - the Chief Executive (Tier 1), Directors (Tier 2), assistant directors (Tier 3). This includes all statutory and non-statutory chief officer posts.
- 3.21 All references to terms and conditions in the statement are factual. Where appropriate a link to the relevant pay policy e.g. the council's pension arrangements has been included.
- 3.22 In accordance with the requirements of the Act the statement will continue to be published on the Internet with links to pay policy and information where appropriate.
- 3.23 Members are asked to approve the pay policy statement attached as Appendix 4.

4.0 Financial Implications

4.1 There are no financial implications arising from this report.

5.0 Legal Implications

5.1 The legal issues are dealt with in the body of the report.

6.0 Diversity Implications

6.1 There are no diversity implications arising from this report.

Background Papers

Brent Constitution

Localism Act 2011

Contact Officers

Should any person require any further information about the issues addressed in this report, please contact Kathy Robinson on telephone number: 020 8937 1368, or email:kathy.robinson@brent.gov.uk.

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