



Council

North Tyneside Council

To All Members of the Council

15 March 2017

You are hereby summoned to attend the Meeting of the Council of the Borough of North Tyneside to be held in **The Chamber, Ground Floor, Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside at 6pm on Thursday 23 March 2017** for the transaction of the following business.

<u>Agenda Item</u>	<u>Page(s)</u>
1. Public Questions	3
8 valid questions have been received from members of the public for this meeting.	
2. Apologies	
3. To receive any Declarations of Interest	
You are invited to declare any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest.	
Please complete the Declarations of Interests card available at the meeting and return it to the Democratic Services Officer before leaving the meeting.	
You are also invited to disclose any dispensation from the requirement to declare any registerable and/or non-registerable interests that have been granted to you in respect of any matters appearing on the agenda.	
4. Minutes of the Council Meetings held on 19 January, 2 February and 16 February 2017 (previously circulated)	

Members of the public are entitled to attend this meeting and receive information about it.

North Tyneside Council wants to make it easier for you to get hold of the information you need. We are able to provide our documents in alternative formats including Braille, audiotape, large print and alternative languages.

For further information please call 0191 643 5358.

Contact Officers

**David Brown (0191) 643 5358
Paul Wheeler (0191) 643 5318**

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5. Report of the Independent Remuneration Panel	6
To request the Council to give consideration to the recommendations of the Independent Remuneration Panel in relation to the Members' Allowances Scheme for 2017/18.	
6. Presentation on Annual Report of the Director of Public Health	
To receive a presentation on the Annual report of the Director of Public Health.	
7. Response to the Council motion on reduction of NHS services and implication of the STP in North Tyneside	14
To consider a report in response to a Council motion approved in January 2017 in relation to the reduction NHS services and implications to North Tyneside.	
8. Pay Policy Statement 2017/18	26
To seek approval for the proposed pay policy statement 2017/18 as set out in Appendix 1 to the report.	
9. Motions	43
2 valid Motions on Notice, signed by at least three Members of the Council, have been received for consideration at this meeting.	
10. Common Seal	
To agree the Common Seal being affixed to all deeds and documents required for carrying into effect the various decisions of the Council made since its last meeting.	
11. Chair's Announcements	
To receive any announcements by the Chair of Council.	
12. Mayor's Announcements	
To receive any announcements by the Elected Mayor.	
13. Questions by Members of the Council	44
6 valid questions on notice have been received for a response at this meeting.	

Yours faithfully



Patrick Melia
Chief Executive

North Tyneside Council Report to Council Date: 23 March 2017

ITEM 1

Title: Questions by
Members of the Public

Notice has been received of the following questions from members of the public to be put to the Council meeting. The Chair of Council has agreed to group together related questions to enable a combined response to be given to Questions 2 & 3 and also to Questions 4, 5, 6 & 7.

1. Question to the Elected Mayor by Mr Mayes of Whitley Bay

Given the noise in press currently about business rates rises, much of which seems to be from areas seeing a rise, can the Mayor advise

1. what the change is likely to mean for businesses in North Tyneside
- 2 . what if any impact that has on North Tyneside's budget?

2. Question to the Elected Mayor by Mrs Eckford of Weetslade

Why, instead of promoting tourism and visitors to our area, which jobs and livelihood are dependant on, have you decided to close the Tourist Information office at Royal Quays?

3. Question to the Elected Mayor by Ms Hull of Whitley Bay

Given that North Tyneside's Tourist Information Centre at Royal Quays occupies a rent free unit in a prime site adjacent to an increasingly busy international ferry terminal, has a retail offer that brings revenue back into North Tyneside Council and increases visibility of events and services in North Tyneside, why will this service close in April?

4. Question to the Elected Mayor by Mr Bunyan of Camperdown

We're aware that you are personally incredibly proud of the local plan for house building that your council have produced. This has in your view, made it necessary for areas like Reed Avenue, Camperdown to be changed from open play space, to land for housing.

We now learn that no children from the NE12 5 postcode have been admitted to George Stephenson High School, despite it being the choice of many parents. This has led to huge disappointment in our community.

Can the Mayor personally give us an assurance that lack of places at a parent's chosen school is not connected to the local plan that she so proudly champions? And as a former headteacher herself, can the Mayor specifically outline what

commitments she is giving to allow parents to have the education that they choose for their children?

5. Question to the Elected Mayor by Ms Marshall of Killingworth

Residents on the Greenhills estate in Killingworth have been devastated to learn that their children are not able to attend their local high school, George Stephenson, for admission in September this year. My son will have to pass our local school on a bus to get to and from the school he has been offered admission to.

I have since learnt that North Tyneside school catchment areas have not been reviewed for 30 years, which is well before the estate that I live on was built. The council local plan has meant that planning permission had been granted for 100's of new homes within our local area, but without a review of the high schools and how they will cope with the influx of children from the new housing estates.

When will high school catchment areas be reviewed in line with the local plan for house building, so that our children will have the option to be able to apply for and attend our local schools, specifically in the Killingworth area?

6. Question to the Elected Mayor by Mr Johnston of Killingworth

I have been a resident of the Greenhills estate, Killingworth, for the last 10 years and during this time, have seen my neighbours' children be offered and accept a place at George Stephenson High School. As the parent of a child shortly to be applying for a secondary school place, I am very concerned to learn that no children from Greenhills have been offered a secondary school place at George Stephenson High School for September 2017, despite it being the first choice of many parents. Can the Mayor please explain why this is the case this year and whether, based on current statistics for the number of current Year 5 children in catchment for George Stephenson High School, parents of children living on Greenhills who are applying for a secondary school place for their child in September 2018 are likely to find themselves in the same situation?

7. Question to the Elected Mayor by Ms Johnson of Killingworth

This year, none of the Year 6 children from the Greenhills estate in Killingworth secured places for George Stephenson High School for September 2017 entry. This has had a huge impact on the local community knowing our children have to travel away from the community in which they know and in which they should be educated. This also poses as a safety concern in my opinion.

Given the amount of new houses being built and furthermore being planned within the area, the problem is simply being compounded. There will be more children in the catchment area and no immediate plans to build a new high school to accommodate them.

Greenhills has a Killingworth address and postal code and should be classed as catchment for GSHS admission purposes, unlike Holystone and Shiremoor. The

catchment area has not been changed in some 30 years and it is my belief that it is no longer fit for purpose and is quite simply out of date.

You state that you are committed to listening to the people's concerns and that they are addressed accordingly, as a Council that cares about what people think.

My question is that do you think it is morally right to exclude this estate and these children for having the opportunity to attend their local high school and whether you agree that the catchment should be changed?

8. Question to the Elected Mayor by Mr Hay of West Monkseaton

I ask a question in view of the 5% increase in council tax acknowledging that with the growing aged population there will inevitably be a strain the social care resources. I further acknowledge the need for a joint strategy for social care with the NHS to free up bed space and resources there, giving the ill and infirmed the most appropriate care they deserve. I therefore accept as a local council tax payer my responsibility to contribute to that. Why however on that basis has the Elected Mayor rejected the opportunity to have an additional £50,000 in the next financial year for mental health, as proposed by Conservative councillors.

However I and I am sure the other rate payers deserve a break down of how this increase was decided and disclosure of what alternative budgets were suggested and if rejected on what rationale. The quality of life of residents is a balance of paying the correct amount of local tax and receiving the appropriate amount of service this includes policing and the precept rise of 2% for 20127 to 2018. Good governance of our finances requires good management and a structured review strategy.

Therefore my question simplified to you Mrs Redfearn, is what were the proposed alternative budget suggestions and why were they rejected?

North Tyneside Council

Report to Council

Date: 23 March 2017

ITEM 5
Report of the Independent
Remuneration Panel

Portfolio(s): Elected Mayor

Cabinet Member(s): Mrs Norma Redfearn

Report from: Head of Law and Governance

Responsible Officer: Vivienne M. Geary, Head of Law and Governance
Tel: (0191) 643 5339

Wards affected: All

PART 1

1.1 Executive Summary:

This report requests the Council to give consideration to the recommendations of the Independent Remuneration Panel in relation to the Members' Allowances Scheme for 2017/18.

The Authority is required to have in place a scheme for Members' Allowances and is required to have regard to the recommendations of the Independent Remuneration Panel when determining its Members' Allowance Scheme.

1.2 Recommendation(s):

It is recommended that Council
(1) considers the recommendation of the Independent Remuneration Panel; and
(2) agrees a Scheme of Members' Allowances for 2017/18.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 6 February 2017.

1.4 Council Plan and Policy Framework

This report has no direct relevance to the Authority's Our North Tyneside Plan priorities or to the Policy Framework.

1.5 Information:

1.5.1 Background

- 1.5.2 Under the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended) the Authority is required to have regard to the recommendations of the Independent Remuneration Panel when considering any changes to its Members' Allowances Scheme.
- 1.5.3 The Panel noted that the majority of neighbouring local authorities have not increased their allowances since this Authority agreed an increase to the level of basic allowance in November 2014.
- 1.5.4 The Panel therefore considers that no change be made to the current Members' Allowances Scheme in relation to basic allowances for the 2017/18 financial year.
- 1.5.5 The Panel continues to recognise that there may be a need to undertake a review of special responsibility allowances, however it thought this was not the appropriate time for it to undertake such a review.
- 1.5.6 Under the current Members' Allowances Scheme, a Dependent Carers Allowance is available to Members who have childcare or other care commitments, whilst undertaking approved duties, at the equivalent to an hourly rate of the statutory minimum wage.

The Government's National Living Wage was introduced on 1 April 2016 for all working people aged 25 and over, and the Panel recommends that the current Members' Allowances scheme be amended in respect of the payment of the Dependent Carers Allowance to reflect the introduction of the National Living Wage (the National Minimum Wage rates would continue to apply to those under the age of 25).

The following rates are for the National Living Wage and the National Minimum Wage.

Year	25 and over	21 to 24	18 to 20
October 2016 (current rate)	£7.20	£6.95	£5.55
April 2017	£7.50	£7.05	£5.60

1.6 Decision options:

The following decision options are available for consideration by Council:

Option 1

Approve all or part of the recommendations of the Independent Remuneration Panel in relation to the amendments to the Members' Allowances Scheme; or

Option 2

Refer the matter back to the Independent Remuneration Panel for further consideration of specific issues identified by Council; or

Option 3

Defer consideration of the matter to obtain appropriate advice on the implications of any alternative proposals.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

The Authority is required to have in place a Members' Allowances Scheme before 1 April each year having had regard to the recommendations of the Independent Remuneration Panel.

1.8 Appendices:

Appendix: Report of the Independent Remuneration Panel March 2017.

1.9 Contact officers:

Vivienne M. Geary, Head of Law and Governance, (0191) 643 5339
Alison Campbell, Senior Business Partner, Finance, (0191) 643 2430
Paul Wheeler, Democratic Services Officer, Law and Governance, (0191) 643 5318

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- North Tyneside Council Constitution
- North Tyneside Members' Allowances Scheme
- Local Authorities (Members Allowances) (England) Regulations 2003 (as amended).

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

It is anticipated that the payment of Members' allowances under the proposed Members Allowance Scheme for 2017/18, including the amendment to the payment of Dependent Carers Allowance to reflect the National Living Wage, will be met from existing budgets in Law and Governance. Any variations will be reported as part of the usual financial management arrangements.

2.2 Legal

The Council is required to approve a Members' Allowances Scheme before the beginning of each financial year, following advice from the Independent Remuneration Panel, in accordance with the Local Authorities (Members Allowances) (England) Regulations 2003 (as amended).

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The Elected Mayor was consulted as part of the Independent Remuneration Panel's preparation of the report.

2.3.2 External Consultation/Engagement

There has been no external consultation or engagement on the report of the Independent Remuneration Panel.

2.4 Human rights

The proposals within this report do not themselves have any direct implications in respect of the Human Rights Act 1998.

2.5 Equalities and diversity

There are no direct equalities or diversity implications arising from this report.

2.6 Risk management

The risks associated with this report will be managed in accordance with the North Tyneside Council risk management process.

2.7 Crime and disorder

There are no direct crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no direct environment and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Deputy Chief Executive X
- Head(s) of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Head of Corporate Strategy X

Report of the North Tyneside Independent Remuneration Panel

March 2017

Executive Summary

The views of the Independent Remuneration Panel are required to be taken into account by the Council when considering any changes to the Members' Allowances Scheme. The Panel has been requested to consider and make recommendations in relation to the Members' Allowances Scheme for the 2017/18 financial year.

The Government's National Living Wage was introduced on 1 April 2016 for all working people aged 25 and over, and the Panel recommends that the current Members' Allowances scheme be amended in respect of the payment of the Dependent Carers Allowance to reflect the introduction of the National Living Wage.

The Panel noted that the majority of the neighbouring authorities have not made changes to their Members' Allowances Scheme in the past year and it therefore considers no further changes be made to the current scheme for 2017/18

The Panel **recommends** that there be no change to the North Tyneside Members Allowance Scheme for 2017/18 with the exception that the Dependent Carers' Allowance be paid to eligible Members aged 25 and over at the equivalent to the National Living Wage rather than the Minimum Wage.

1.0 INTRODUCTION

- 1.1 The Remuneration Panel was initially appointed in 2003 under the provisions of the Local Authority (Members Allowances) (England) Regulations 2003. These regulations replaced the Local Authorities (Members Allowances) (England) Regulations 2001.
- 1.2 Our Terms of Reference are as follows: -
 - a) To consider issues and representations relating to Members' allowances and expenses.
 - b) To make recommendations and provide advice to the Council
- 1.3 The current Panel was appointed in 2012 and comprises of Mr John Anderson CBE, Regional Chairman of Coutts Bank; Mr Brian Reeve, Senior Projects Director, Royal Haskoning DHV; Mr Les Watson, formerly of the Audit Commission and Dr Rachid Zemouri, Managing Director of ICAS Limited

2.0 BACKGROUND

- 2.1 The Panel was requested to give consideration to the current Members' Allowances Scheme and to make recommendations on the level of allowance for 2017/2018.

3.0 MEMBERS' ALLOWANCE SCHEME

- 3.1 The Panel had been requested to give consideration to the Members' Allowances Scheme to determine if it was still set at an appropriate level. The Panel noted that the Scheme had a number of elements, including a basic allowance, special responsibility allowances and payments to cover expenses incurred in carrying out the duties of an elected member.
- 3.2 Under the current scheme all Members of the Council are entitled to receive a basic allowance. This allowance is intended to cover a range of incidental expenses incurred by Members, including stationary, postage, telephone calls and additional costs associated with heating and lighting the home, and to recognise the unpaid work spent on ward matters.
- 3.3 The Panel notes that in November 2014 the Council accepted its recommendation to increase the level of the basic allowance with effect from the financial year 2015/16 to bring it to the average figure for the LA7 authorities.
- 3.4 The Panel acknowledges that the majority of the neighbouring authorities have not increased their level of allowances since this authority agreed to an increase in the level of the basic allowance in November 2014. The Panel therefore considers that no change be made to the Members' Allowances

Scheme for the 2017/18 financial year, other than the proposal set out in paragraph 3.6 below.

- 3.5 The Panel continues to recognise that there may be a need to carry out a review of special responsibility allowances, however it thought this was not the appropriate time for it to undertake such a review.
- 3.6 The Panel notes that in the current Members' Allowances Scheme, the payment of a Dependent Carers Allowance is available to Members who have childcare or other care commitments whilst undertaking approved duties at the equivalent to an hourly rate of the statutory minimum wage.

In the light of the introduction of the Government's National Living Wage on 1 April 2016 for all working people aged 25 and over, the Panel recommends that the payment of the Dependent Carers Allowance under the Members' Allowances Scheme be amended to reflect the National Living Wage rather than the Minimum Wage. The National Minimum Wage will still apply to those aged under 25.

The following rates are for the National Living Wage and the National Minimum Wage.

Year	25 and over	21 to 24	18 to 20
October 2016 (current rate)	£7.20	£6.95	£5.55
April 2017	£7.50	£7.05	£5.60

- 3.7 The Panel **recommends** that there be no change to the Members Allowance Scheme for 2017/18 with the exception that the Dependent Carers' Allowance be paid to eligible Members aged 25 and over at the equivalent to the National Living Wage rather than the Minimum Wage.

4.0 BACKGROUND INFORMATION AND REFERENCES

- The Local Authorities (Members' Allowances) (England) Regulations 2003
- Previous reports of the Remuneration Panel
- Member's Allowances Schemes of Tyne and Wear Authorities, Mayoral Authorities and Statistical Neighbours
- Local Government Act 1972
- North Tyneside Council Constitution
- North Tyneside Members Allowances Scheme

North Tyneside Council

Report to Council

Date: 23 March 2017

ITEM 7
Title: Response to the Council motion on reduction of NHS services and implication of the STP in North Tyneside

Portfolio(s): Adult Social Care
Public Health, Health and Wellbeing

Cabinet Member(s): Councillor Alison Waggott Fairley
Councillor Margaret Hall

Report from Service

Area: Health, Education, Care and Safeguarding

Responsible Officers: Jacqui Old, Head of Health Education. Tel: (0191) 6437371
Care and Safeguarding
Wendy Burke, Director of Public Health Tel: (0191) 6432104

Wards affected: All

PART 1

1.1 Executive Summary:

- 1.1.1** Council accepted a Motion at its meeting on 19th January 2017 with regard to seeking a review of the current plans for the NHS in North Tyneside and in particular understanding the impact of the Northumberland, Tyne and Wear and North Durham (NTWND) Sustainability and Transformation Plan (STP) for North Tyneside.
- 1.1.2** The motion signed by Councillors John O’Shea, Andy Newman, and Martin Rankin stated: “Residents are concerned at the reduction in NHS services in the Borough and the outcome of the Sustainability and Transformation Plan. The Council requests the Mayor and Cabinet to consider conducting an urgent review on the reduction in NHS services and the implications of the STP on North Tyneside. The outcome of the review to be reported to the next ordinary council meeting.”
- 1.1.3** The NHS describes STPs as being developed to ensure that health and care services are based upon the needs of local populations in order to support successful implementation of the NHS Five Year Forward View (5YFV). STPs are intended to bring together key players across Clinical Commissioning Groups (CCGs), Foundation Trusts, local authorities and other health and care service providers organised as STP ‘footprints’.
- 1.1.4** North Tyneside CCG is required to develop a two year operational plan consistent with the local STP and the 5YFV, delivering core access and quality standards for patients and restoring and maintaining financial balance.
- 1.1.5** The review has been led by Wendy Burke Director of Public Health and involved Senior Managers in Adult Social Care (Haley Hudson, Eleanor Binks and Kevin Allan), the Interim Chief Operating Officer of North Tyneside CCG John Wickes and members of

North Tyneside's Health and Wellbeing Board including the Chair and Vice Chair Councillor Margaret Hall and Councillor Alison Waggott Fairley. It has also drawn on national guidance and wider discussions across the region and North East Combined Authority Area.

1.1.6 The outcome of the review concluded that:

- There have been a number of changes in NHS services in North Tyneside
- There are examples of where NHS services have been reduced and will be reduced further in the coming year, the impact upon residents is not fully understood
- The process of developing STPs has raised concern nationally
- More locally the process of developing the NTSW plan raised concerns around engagement with Local Authorities
- There is no assurance currently that the plans will deliver the necessary changes to address the gaps identified
- The priorities identified in current CCG operational plan could go further in addressing the wider prevention and early intervention aspects of the STP
- The detailed CCG operational plan should be shared with the Health and Wellbeing Board
- There is concern about the financial impact of the plans on the Authority.

1.1.7 The report compiled following the review was referred to Cabinet on 13th March 2017. Cabinet noted the contents of report and agreed to authorise the Head of Health, Education, Care and Safeguarding and the Chair of the Health and Wellbeing Board to seek more detail on the plans for the NHS and monitor the progress of the STP in North Tyneside on behalf of Cabinet, and where there is likely to be any significant impact for the Borough or the Authority to report back to Cabinet.

1.2 Recommendation(s):

It is recommended that Council:

- (1) notes the content of the report; and
- (2) notes that the report was also referred to Cabinet on 13th March 2017 and Cabinet agreed to authorise the Head of Health, Education, Care and Safeguarding and the Chair of the Health and Wellbeing Board to seek more detail on the plans for the NHS and monitor the progress of the STP in North Tyneside on behalf of Cabinet, and where there is likely to be any significant impact for the Borough or the Authority to report back to Cabinet.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 27th February 2017.

1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2014/18 Our North Tyneside Plan:

- Our people will be ready for school - giving our children and their families the best start in life
- Our people will be ready for work and life, with the skills and abilities to achieve their full potential
- Our people will be healthy and well - with the information, skills and opportunities to maintain and improve their health, wellbeing and independence.
- Our People are cared for and kept safe if they become vulnerable.

1.5 Information:

1.5.1 Changes in NHS Services in North Tyneside

1.5.2 North Tyneside CCG has faced some significant challenges in the last two years. Last year the CCG was rated as 'Inadequate' by NHS England due to failure to meet its financial commitments and was placed into special measures in July 2016. On 25 August 2016 the CCG received legal directions from NHS England which included the requirement to refresh its Financial Recovery Plan (FRP) to achieve a financial control deficit of £19m; to fulfil the agreed actions arising from a capability and capacity review and to undertake a review of management arrangements. The CCG announced in January 2017 that NHS England had decided to remove it from the special measures. The decision recognised the good progress made in the financial recovery plan, and in strengthening management capacity and governance. It was also announced that North Tyneside CCG would share key senior posts with Newcastle Gateshead CCG, and the current Chief Officer and Chief Finance Officer of Newcastle Gateshead CCG have been formally appointed in North Tyneside.

1.5.3 A number of NHS service changes in North Tyneside have been implemented in the last two years and the changes reflect the priorities described in North Tyneside CCG's plans and have contributed to the improvement in the CCG's financial position. Key changes are set out below.

1.5.4 Urgent and Emergency care

The CCG developed an Urgent Care and Emergency Care Strategy 2014-2019 which set out a strategic vision for the development of North Tyneside's urgent and emergency care system for the next five years. The stated aim was 'to develop a successful and long-lasting model of care which supports self-care; helps people with urgent care needs to get the right advice or treatment in the right place, first time; provides a highly responsive urgent care service outside of hospital, so people no longer choose to queue in A&E; and ensures people are treated in specialty centres'. Northumbria's Specialist Emergency Care Hospital (NSECH), a specialised purpose built Emergency Centre, opened at Cramlington in June 2015, for patients with serious or life threatening emergency care needs. This resulted in the Accident and Emergency Department at North Tyneside General Hospital (Rake Lane) closing and the provision of an Urgent Care Centre on the site, for patients with urgent but non-life threatening needs, alongside two other urgent care centres in the borough.

Significant winter pressures have been reported by the NHS 2016/17 both nationally and locally. With increased pressure on waiting time at NSECH, Northumbria Healthcare Foundation Trust announced in November 2016 that the service at the Urgent Care Centre at North Tyneside Hospital would be reduced from 24 hours a day, to 8am to

midnight, seven days a week so that additional support could be provided to NSECH. This arrangement will continue until the end of March 2017.

In addition the CCG is currently in the process of procuring a new single-site Urgent Care Centre for North Tyneside to replace three existing facilities at North Tyneside General Hospital, Shiremoor Paediatric Minor Injuries Unit and Battle Hill Walk-In Centre. The new service will operate 24 hours 7 days per week, will reduce the fragmentation and duplication of services, enable integration with GP Out Of Hours Services and save money.

There remains confusion about the terminology of urgent and emergency care for patients and a resultant lack of understanding about how and where to access the right level of care.

1.5.5 Maternity care

Following public consultation by the CCG in 2014 on the future arrangements for maternity care in North Tyneside, the midwife led maternity unit at North Tyneside General Hospital closed in June 2015 and a new consultant and midwife led unit opened at the NSECH.

1.5.6 Avoidance of unnecessary hospital care

The CCG has invested in more effective ways of looking after people in their homes or in the community. In particular, the CCG has focused on services for people who are near the end of their life, living in a nursing home, or who are living with severe to moderate frailty and with more than one long-term condition. By bringing health services to vulnerable people proactively, more 'crises' are avoided which might otherwise result in an emergency hospital admission.

1.5.7 Intermediate care

In December 2016 The Cedars, a 30-bedded intermediate care and rehabilitation facility operated by the Local Authority and funded by the CCG through the Better Care Fund, was closed. The Cedars was built in the 1950s and was last refurbished in 1995. The layout of the building was not suitable for people with dementia (limiting access for people with cognitive impairment). Following the intermediate care review the CCG decided to withdraw funding for The Cedars and on this basis The Cedars closed. The CCG reinvested part of the savings into a community rehabilitation team and rehabilitation bed capacity in independent nursing homes

1.5.8 Referral management

In 2015 the CCG introduced a Referral Management System which checks that GP referrals comply with best practice guidance and criteria prior to referral for hospital specialist advice. The scheme has been successful in reducing variation in the quality and number of referrals as well as reducing costs and waiting times for outpatient appointments.

1.5.9 Community services

Working with Nothumbria Healthcare NHS Foundation Trust, the CCG agreed price reductions in community and other Trust services of £2.8m per annum – approximately 5% of the total budget considered. Savings were achieved by consolidating nursing services on fewer sites, reviewing nursing skill mix, reducing the number of pathways for foot care services, changing the mix of intermediate care beds at North Tyneside General Hospital and decommissioning ineffective services for people with heart failure or at risk of falling, meeting their needs through other existing and more effective services.

1.5.10 Social prescribing

The CCG made a decision to remove its contribution from 1st April 2017 for the social prescribing service that is currently commissioned jointly with North Tyneside Council. The Authority is currently working to identify how the service can be reconfigured and delivered within a reduced budget.

1.5.11 Memory service

The CCG made a decision to remove its contribution from 1st April 2017 for the memory service that is currently commissioned jointly with North Tyneside Council. The Authority is currently working to identify how services can be provided to support people with dementia and their families with reduced funding.

1.5.12 Mental health

The CCG was not able to meet the 'parity of esteem' test in 2016/17 for mental health spending, which requires CCGs to increase mental health funding by at least the percentage increase in their allocation. The CCG currently spends 14% of the budget on mental health services. Service changes have been agreed with Northumberland, Tyne and Wear Mental Health Foundation Trust to minimise impact on patients.

1.5.13 Children and young peoples mental health service (CAMHs)

The CCG was able to allocate only part of the national CAMHs transformation funding to local services in 2016/17 and has been unable to deliver on all aspects of its development plan to transform mental health services for children and young people locally.

1.5.14 Sustainability and Transformation Plans

1.5.15 STPs were announced in NHS planning guidance published in December 2015 to support implementation of the Five Year Forward View (5YFV), a vision for how the NHS needs to change over the next five years, and what steps need to be taken in order to create a modern and sustainable NHS published in October 2014. NHS organisations and local authorities in different parts of England were required to come together to develop 'place-based plans' for the future of health and care services in each area.

1.5.16 STPs are intended to be five-year plans covering all aspects of NHS spending in England. Forty-four areas have been identified as the geographical 'footprints' on which the plans are based. A 'footprint' is the geographical area in which people and organisations are working together to develop plans to transform and sustain the delivery of health care services. Those footprints are not necessarily co-terminus with Local Authority or other partners' boundaries adding further complexity to engagement activity.

1.5.17 The scope of STPs is broad and covers three headline issues: improving quality and developing new models of care; improving health and wellbeing; and improving efficiency of services. Leaders in each footprint area were asked to identify the key priorities needed to meet the challenges and deliver financial balance for the NHS. The plans needed to cover all aspects of NHS spending, as well as focusing on better integration with social care and other local authority services.

1.5.18 NHS organisations are expected to collaborate rather than compete to respond to the challenges facing their local services: in order to develop integrated models of care to meet the changing needs of the population and the difficult financial context. This is, in

some ways, a change in emphasis from some of the direction of travel following the creation of a commissioning provider split and the establishment of Foundation Trusts.

- 1.5.19** A named individual is required to lead the development of each STP. Most STP leaders come from Clinical Commissioning Groups and NHS Trusts, but a small number come from local government.
- 1.5.20** Final plans were submitted to NHS England in October 2016. These plans are now going through a process of assessment, engagement and further development. Cabinet will have seen some of the national coverage.
- 1.5.21** From April 2017, STPs will become the single application and approval process for accessing NHS transformation funding.
- 1.5.22** There have been concerns voiced nationally about the process of determining the footprint areas and also developing the plans, in particular the 'top down' approach from NHS England and lack of involvement from stakeholders including patients and the public, local authorities, clinicians and front line staff. More locally local authority Chief Officers have raised concerns with NHS colleagues.
- 1.5.23** **Northumberland, Tyne and Wear and North Durham Sustainability and Transformation plan**
- 1.5.24** The Northumberland Tyne and Wear and North Durham STP footprint is largely coterminous with the North East Combined Authority (NECA) area however the footprint covers only part of Durham. There is a total population of 1.7 million residents across three Local Health Economies (LHEs):
- Newcastle and Gateshead
 - Northumberland and North Tyneside
 - South Tyneside, Sunderland and North Durham
- 1.5.25** The STP is led by the Chief Officer of Newcastle Gateshead CCG. Senior officers from 6 CCGs, 6 NHS trusts, 7 local authorities and NHS England across the footprint have been engaged in the development of the plan. The final plan was submitted to NHS England on 21st October 2016 and sets out strategic high level proposals following limited opportunity for engagement with wider stakeholders.
- 1.5.26** Within the NTWND STP the collective vision is stated:
- To build upon health and well being strategies in each of the local authority areas
 - To provide safe and sustainable health and care services that are joined up, closer to home and economically viable; and
 - To ensure people are empowered and supported and can play a role in improving their own health and well being.
- 1.5.27** The NTWND STP identifies a number of key transformational areas:
- **Improve health inequalities** by scaling up prevention, health and wellbeing to improve the overall health and wellbeing of our public and patients utilising an industrialised approach
 - **Improve the quality and experience of care:**
 - **Out of hospital collaboration** and the through development of new care models, integrating health and social care (Better Care Fund), implementation of the General Practice Five Year Forward View, development of evidence based pathways of care (NHS Right Care).

- **Optimal use of the acute sector** through the six Vanguard and pioneer programmes in the area, and ongoing acute sector changes for example the Accountable Care Organisation in Northumberland, the new hospital at Cramlington (NSECC) and South Tyneside and Sunderland Foundation Trust coming under a single management structure. Further specialty level reviews will take place to meet workforce challenges and deliver clinical standards within a 7 day service.
- **Transforming mental health** through the development of an integrated lifespan approach to the integrated support of mental health, physical health and social need enabling self- management, care and support systems within communities.
- **Close the financial gap** that could be as large as £641m by 2021 (£904m including social care).

1.5.28 The STP is built upon some work that has already begun across the area and it sets out proposals, which if taken forward and delivered effectively by 2021 are intended to

- Reduce the health inequalities in the area to be comparable to the rest of the country
- Create thriving out of hospital services that attract and retain the staff they need to best support patients
- Deliver high quality hospital and specialist care across the whole area, seven days per week.

1.5.29 The next steps and the development of more detailed plans that will deliver the STP ambitions are not yet clear.

1.5.30 What does the STP mean for North Tyneside?

1.5.31 NHS Planning Guidance 2016 requires CCGs to produce an Operational Plan 2016/17 - 2018/19 to cover the first two years implementation of the STP. The plan is required to cover:

- Delivery of NHS England's '9 Must Dos' (agree their STP, financial plan, support primary care, A&E and ambulance wait times, referral to treatment wait times, cancer standards, mental health standards, transform learning disability services, improve quality)
- Support delivery of the local STP
- Achieve financial balance
- Deliverable activity plans for the area which are directly derived from their STP
- How local independent sector capacity should be factored into plans
- Planned efficiency savings
- Identification and risk management
- New care models

1.5.32 North Tyneside CCG operational plan key priorities were shared with North Tyneside Health and Wellbeing Board in a presentation at its meeting on 14th February 2017 and are outlined below:

Organisational forms

- Learn from the development of the Northumberland Accountable Care Organisation (ACO) as proof of concept of the Primary and Acute Care Services (PACS) model.
- Supporting joint management arrangements between Newcastle Gateshead CCG and North Tyneside CCG

Urgent Care

- Procurement of single point of access urgent care centre in North Tyneside, opening October 2017
- Improve A&E and urgent care pathways at NSECH to manage growing demand and improve ambulance handover delays
- Get the most from NE urgent care network 'vanguard' innovations

Promote Self Management

- Shared decision-making and create self-management tools for patients
- Structured diabetes education for newly diagnosed diabetics and ongoing

Care of the Elderly

- Manage Continuing Healthcare effectively and improve end of life care
- Improve early diagnosis of dementia rates and dementia support
- Continue to improve efficiency and care options for intermediate care
- Explore frailty care models and reduce harm from falls

Primary Care Strategy

- Improve access to GP services 8am-8pm, 7 days per week
- Develop the Extended Primary Care Team
- More integrated specialist support to move services from hospital to the community

NHS Right Care

- Utilise this national programme that supports NHS organisations to improve the quality of care they deliver while making efficiency savings that can be reinvested in the service and deliver year-on-year quality improvements
- Work collaboratively to find ways of improving the cost or outcomes of care for patients where it is worse than places with similar populations
- Initial focus of e.g. cancer, musculoskeletal, gastrointestinal, respiratory and circulatory diseases

Mental Health

- Improve community mental health pathways, especially crisis response
- Improve eating disorders, ADHD/autism and psychological therapy service provision for children and adolescents
- Implement the 'Mental Health 5 Year Forward View'
- Review liaison psychiatry for people in A&E with mental health needs

Community Services

- Roll out the 'Care Plus Service' (New Models of Care) across North Tyneside
- Consider future of community services to improve integration with primary care, social care and new models of care
- Continue focus of support for people in nursing homes

1.5.33 The Health and Wellbeing Board welcomed the further detail of the priorities for North Tyneside. However members expressed concern that the issue of prevention and tackling inequalities did not feature despite being a critical part of the North Tyneside Health and Wellbeing Strategy and one of the central aspects of the STP.

1.5.34 Implications and concerns about the changes in NHS Services and the STP for North Tyneside Council and local residents

1.5.35 Concern has been expressed about the extent to which the local authority has been a true partner in the development of the STP. The Chief Executive of the Authority wrote to NHS England in October last year on behalf of the chief executives of all NECA local authorities about the process of developing the STP. In particular, the concern centred around the lack of engagement with local authorities and understanding the financial implications of the plans upon the ability of local authorities to deliver services to residents, such as, adult social care, children's services and public health. Whilst NHS England acknowledged the concerns with regards to the engagement process, there still remains significant concern about the financial implications and impact of the STP for local authorities. This concern between officials has been replicated in public debate. Cabinet will be aware that the local engagement event on the STP in Whitley Bay was very well attended with residents being vocal in their concerns about the plans and processes.

1.5.36 There is a lack of detail about development of specific plans in each area and how initiatives will be funded. In particular the efforts and up scaling of prevention and the implications for diminishing local authority public health budgets and also for the capacity and future funding of adult social care. There is no assurance at this point in time that the plan will deliver the stated ambitions. The detailed CCG operational plan has not yet been shared with the Health and Wellbeing Board.

1.5.37 The future engagement process, governance arrangements and development of detailed plans for implementation of the STP are not clear and further information is required to understand next steps in the process of delivering the NTWND STP.

1.5.38 While the NTWND STP does not make reference to reduction in NHS services in North Tyneside this review has identified examples of where funding has been withdrawn by the CCG and where services are being reduced.

1.6 Decision options:

The following decision options are available for consideration by Council:

Option 1

Council notes the content of the report and the decision taken by Cabinet on 13th March 2017 to authorise the Head of Health Education Care and Safeguarding and the Chair of the Health and Wellbeing Board to seek more detail on the plans for the NHS and monitor the progress of the STP in North Tyneside on behalf of Cabinet in accordance with the recommendations in paragraph 1.2.

Option 2

Council chooses not to note the content of the report and the decision taken by Cabinet on 13th March 2017, and requests Cabinet to undertake some other form of action.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended so that a mechanism can be established to monitor the progress of plans for the NHS in North Tyneside in the future.

1.8 Appendices:

None.

1.9 Contact officers:

Jacqui Old, Head of Health, Education, Care and Safeguarding 0191 643 7371
Wendy Burke, Director of Public Health 0191 643 2104
Hayley Hudson, Senior Manager Wellbeing, Governance & Transformation 0191 643 7008
Kevin Allan, Programme Manager for Integration 0191 643 6078
Eleanor Binks, Senior Manager Integrated Services 0191 643 7076
Alison Campbell, Senior Business Partner, Finance 0191 643 7038
John Wickes Interim Chief Operating Officer North Tyneside CCG 0191 2931140

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available from Wendy Burke:

- (1) Northumberland, Tyne and Wear and North Durham Sustainability and Transformation Plan - Summary Plan 21st October 2016
<http://www.northtynesideccg.nhs.uk/wp-content/uploads/2016/11/NTWNDXSTPXfinalXsubmissionX-Xcombined.pdf>
- (2) Sustainability and Transformation Plan for Northumberland, Tyne & Wear and North Durham- Implications for North Tyneside presentation to North Tyneside Health and Wellbeing Board 14th February 2017
www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=568109
- (3) NHS Operational Planning and Contracting Guidance 2017-2019, NHS England and NHS Improvement 2016 <https://www.england.nhs.uk/wp-content/uploads/2016/09/NHS-operational-planning-guidance-201617-201819.pdf>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There is no assurance that the Sustainability and Transformation Plan in its current form will address the funding gap in the NHS across Northumberland Tyne and Wear and North Durham estimated to be £641m. The funding gap is estimated to be as large as £904m if social care were also to be considered however there has been little attention given on how best to address this much larger gap. STPs are intended to be the vehicles by which local areas will access NHS funding for transformation from March 2017. In 2016/17, the transformation fund is £2.3 billion, rising to £3.4 billion by 2021.

The combined demographic demand led pressures in both the health and social care economy that impact this Authority are currently reflected in the Authority's financial position as reported separately to Cabinet. The Authority continues to work with the CCG in implementing its financial recovery plan, whilst limiting the impacts on this Authority's financial position. As referenced earlier in this report the perceived lack of engagement and transparency in developing the STP increases the risk to the wider health and social care economy and the unquantified impact of this remains a key financial risk for this Authority.

2.2 Legal

STP leads and the partnerships working on the plans have no statutory basis and are not legal entities, they derive their authority to act from the consent and participation of their participant organisations, namely CCGs, providers of NHS services and local authorities. Partner organisations have not been asked formally 'sign off' the draft plan because there is no requirement to do so. Statutory organisations such as CCGs NHS trusts and local authorities all have separate, but similar, legal duties to consult or otherwise involve the public.

The Council Meeting are receiving this report in response to the motion presented to Council on 19 January 2017.

The Authority's Cabinet are responsible, in accordance with the Local Government Act 2000 and the Regulations made under that Act for determining any action to be taken by the Authority on this matter.

2.3 Consultation/community engagement

Following submission of the Northumberland, Tyne and Wear and North Durham Sustainability and Transformation Plan in October 2016 the plan was published on North Tyneside CCG's website. A period of engagement led by CCGs across the footprint commenced on 23rd November through to Friday 20th January 2017 and views were sought via an on-line questionnaire on CCG websites and from a range of partnerships including the Health and Wellbeing Boards. North Tyneside CCG also held an event on Monday 16th January 2017 in North Tyneside at Whitley Bay Customer First Centre for members of the public to hear about the Northumberland, Tyne and Wear and North Durham Sustainability and Transformation Plan and also to feedback their views.

North Tyneside CCG has undertaken consultation exercises with members of the public on service changes listed within this report.

2.4 Human rights

There are no known human rights implications directly arising from this report.

2.5 Equalities and diversity

The NHS Constitution establishes the principles and values of the NHS in England. It sets out rights to which patients, public and staff are entitled, and pledges which the NHS is committed to achieve, together with responsibilities, which the public, patients and staff owe to one another to ensure that the NHS operates fairly and effectively. NHS providers are required to provide comprehensive services, available to all irrespective of gender, race, disability, age, sexual orientation, religion, belief, gender reassignment, pregnancy and maternity or marital or civil partnership status. North Tyneside CCG undertakes equality impact assessments in respect of all service changes.

2.6 Risk management

There are no risk management implications directly arising from this report.

2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

PART 3 - SIGN OFF

- Deputy Chief Executive X
- Head(s) of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Head of Corporate Strategy X

North Tyneside Council

Report to Council

Date: 23 March 2017

ITEM 8

Title: Pay Policy
Statement 2017/18

Portfolio(s): Deputy Mayor

Cabinet Member(s): Councillor Bruce
Pickard

Report from Service Area: Human Resources

Responsible Officer: Alison Lazazzera, Head of Human Resources & Organisational Development
Tel: (0191) 643 5012

Wards affected: All

PART 1

1.1 Executive Summary:

The preparation and publication of a Pay Policy Statement is a requirement of the Localism Act 2011 and all local authorities must publish a Pay Policy Statement on 1 April each year.

This Pay Policy Statement includes information on the Authority's approach to pay and grading relating to the workforce and in particular Chief Officers.

The Authority has a statutory duty to publish the Pay Policy Statement on its website.

1.2 Recommendation(s):

It is recommended that the Council approves the Pay Policy Statement for 2017/18 and authorises publication of the Pay Policy Statement on the Authority's website.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on the 9th January 2017.

1.4 Council Plan and Policy Framework

The Pay Policy Statement supports the delivery of Our North Tyneside Plan.

1.5 Information:

Background

1.5.1 The Localism Act 2011 requires all local authorities to prepare and publish pay policy statements. These statements must set out an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees. Pay policy statements must be prepared for each financial year, approved by full Council and published.

Areas of Change

1.5.2 The following areas of the Pay Policy Statement have been amended:

- the Pay Award Agreements effective from 1 April 2016 through to 31 March 2018 over a two year period include various % increases ranging from 1% to 6.6% for those on lower salaries;
- the Median average salary has moved from £21,566 to £21,745 per annum. The pay multiple when rounded remains the same as reported last year at 1:7; and
- current legislation requires that self employed contractors, who provide services to the Authority under personal service contracts (off payroll working), determine themselves whether the IR35 rules apply to a contract and if they do the contractor is currently liable to deduct any income tax and National Insurance Contributions (NIC) for payment to HRMC. This arrangement is to change from 6 April 2017 where the client is a public sector body. In these circumstances the public sector body rather than contractor will be responsible for IR35 rule determination and therefore responsible for income tax and NIC deductions.

Future Areas of Change

1.5.3 The anticipated implementation of the scheme to cap on exit payments made to employees; the recovery of exit payments for those employees who return to public service and the new gender pay gap monitoring and reporting requirements will have an impact on the Pay Policy Statement. Reference to these anticipated changes is provided in the Pay Policy Statement. When implemented amendments to the Pay Policy Statement may be required, if this is the case a further report will be presented to Full Council for its consideration.

Policy Principles

1.5.4 The Localism Act 2011 requires the Authority to agree an annual pay policy which sets out how pay structures and salaries are determined and what remuneration packages exist for the Authority's senior workforce in relation to the rest of the workforce.

1.5.5 In addition the Code of Recommended Practice for Local Authorities on Data Transparency enshrines the principles of transparency and requires authorities to follow three principles when publishing data they hold:

- a) responding to public demand;
- b) releasing data in open formats available for re-use; and,
- c) releasing data in a timely way.

This data published by the Authority includes information on senior salaries and the structure of the Authority's workforce.

Member Involvement

- 1.5.6 The Localism Act requires Members to take a greater role in determining pay by ensuring that decisions in relation to pay are taken by those who are directly accountable to local people. Along with the Code on Data Transparency, the Acts provisions are in place to ensure that communities have access to the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility. In addition, the Act requires that policies on the pay and reward of the most senior staff are set clearly within the context of the pay of the wider workforce.

Accountability

- 1.5.7 Pay Policy Statements, and any amendments to them must be considered by a meeting of full Council and cannot be delegated to a committee or sub-committee. All decisions on pay and reward for Chief Officers must comply with the current Pay Policy Statement.

Transparency

- 1.5.8 The Pay Policy Statement has to include information on the Authority's approach to the remuneration of Chief Officers. Remuneration includes salary (for Chief Officers who are employees) or payment under a contract of services (for Chief Officers who are self-employed), expenses, bonuses, performance-related pay as well as severance payments.
- 1.5.9 The 2011 Act sets out the information that authorities are required to include in their Pay Policy Statements as a minimum. The statutory guidance published by the Department for Communities and Local Government states that authorities should consider whether, in the light of local circumstance and their own reward structure, it would be appropriate to extend the scope of their pay policy statement to include highly paid staff that would not come within the definition of Chief Officers. The proposed Pay Policy Statement enclosed does include staff that would not come within the definition of a Chief Officer.
- 1.5.10 The Act does not require authorities to use their Pay Policy Statements to publish specific numerical data on pay and reward. However the Authority does publish data under the Code of Recommended Practice for Local Authorities on Data Transparency and also in accordance with the requirements of the Accounts and Audit (England) Regulations 2011. Authorities are asked in the Statutory Guidance to consider the opportunity this presents to put that data within the context of the Authority's agreed policies, and to provide the public with a clear justification of how their money is being used appropriately in the pay and reward of senior staff.

Future Requirement to report on Gender Pay Gap Monitoring

- 1.5.11 Under this new requirement public bodies with 250 or more employees must undertake gender pay gap reporting. Pay data will be captured from a 'snapshot' on 5th April each year from April 2017 onwards. Employers will be required to make a calculation based on the hourly pay rate for each employee during their pay period that includes 5th April. Employers will then have up to 12 months to analyse the data and publish their Gender Pay Gap Monitoring reports at any time up to 4th April 2018. Thereafter employers will have to publish their report annually by 4th April in the relevant year. This first report to comply with this duty will be included as part of the 2018/19 Pay Policy Statement.

Exit Cap and Repayment of Public Sector Exit Payments

1.5.12 Limits or caps to exit payments across the public sector are expected to be introduced by the Government in 2017 or early 2018. The framework to limit public-sector exit payments is being introduced with a proposed £95,000 individual cap on public-sector exit pay alongside a proposed requirement that employees with annual earnings above £80,000 repay exit payments if they return to work in the public sector within one year. The requirements can be waived in exceptional circumstances. Regulations relating to the repayment of exit payments in excess of £80,000 are expected to be introduced 2017 with the proposed £95,000 exit cap in late 2017/early 2018.

What must be included in Pay Policy Statements

1.5.13 Section 38 of the Localism Act 2011 sets out the requirements of what must be included in Pay Policy Statements. In particular, information must be included in an Authority's Pay Policy Statement in relation 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.

1.5.14 The statement must also state:

- 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.

1.5.15 Finally, the Pay Policy Statement must include the Authority's policies relating to:

- the level and elements of remuneration for each Chief Officer,
- remuneration of Chief Officers on recruitment,
- changes to remuneration for Chief Officers,
- 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 or to be employed by the Authority, and
- the publication of and access to information relating to remuneration of Chief Officers.

1.5.16 A Pay Policy Statement for a financial year may also set out the Authority's policies for the financial year relating to the other terms and conditions applying to the Authority's Chief Officers.

Approach adopted by the Authority

1.5.17 The Pay Policy Statement attached at Appendix 1 follows the approach agreed by Council which complies with requirements of the Localism Act 2011. It also takes account of the existing policies and processes that the Authority already has in place to manage decisions around the recruitment, appointment and termination of employment of Chief Officers and the publication of data on senior salaries to comply with the Code

on Data Transparency. The Statement includes all the relevant areas that the Localism Act 2011 requires the Authority to report on.

Definitions

1.5.18 The Localism Act 2011 provides a definition of a 'Chief Officer' as:

- (a) the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- (b) its monitoring officer designated under section 5(1) of that Act;
- (c) a statutory chief officer mentioned in section 2(6) of that Act;
- (d) a non-statutory chief officer mentioned in section 2(7) of that Act, or
- (e) a deputy chief officer mentioned in section 2(8) of that Act.

1.5.19 The proposed Pay Policy Statement uses the above definitions to identify Chief Officers and Deputy Chief Officers and in addition includes some posts which fall outside of the definition of a Chief Officer.

The remuneration of Chief Officers

1.5.20 This section of the Statement briefly sets out the pay and grading structure the Authority applies to its senior workforce and the job evaluation methodology that underpins it. The Authority agreed its pay and grading structures in April 2007 and April 2008. On 13 July 2015 Cabinet agreed a restructure of the Senior Leadership Team to reflect service re-organisation.

1.5.21 The Statutory Guidance issued in relation to Pay Policy Statements suggests a role for Elected Members in approving salary packages in excess of £100,000. The Authority's Appointments and Disciplinary Committee has responsibility to appoint to all Chief Officer posts including all the Chief Officer posts created as a result of the recent restructuring of the Senior Leadership Team by Cabinet. These posts include:

- the Chief Executive;
- the Deputy Chief Executive;
- the Director of Public Health; and
- all Heads of Service.

In the current Senior Leadership Team Structure the only posts occupied with salary packages above £100,000 are the posts of the Chief Executive, the Deputy Chief Executive and the Head of Health, Education, Care and Safeguarding. The salaries for these posts are set out in the attached Pay Policy Statement at Appendix 1.

1.5.22 Currently the Authority does not offer any bonuses or performance-related pay to Chief Officers so new appointments would have to have due regard to the salary set by the Authority's pay and grading structures including any market supplement that would be deemed to be appropriate at the time of appointment in line with the Authority's policy.

Changes to remuneration for Chief Officers

1.5.23 This section of the Statement identifies the circumstances in which the salary of a Chief Officer may change and which policies would apply in determining the financial impact of that change.

Payments to Chief Officers upon termination of their employment

1.5.24 For those Chief Officers whose employment with the Authority terminates, this section of the Statement sets out the policy that would apply in these circumstances. It also identifies that the Authority retains discretion to manage a Chief Officer's early termination of employment, if it considers it appropriate.

Policy towards the Reward of Chief Officers Previously Employed by the Authority

1.5.25 This section of the statement explains how the Authority will deal with circumstances in which a previous Chief Officer may return to the Authority.

Payments to Chief Officers for Election Duties

1.5.26 This paragraph sets out the Authority's policy with respect to payments to Chief Officers undertaking local election duties.

The Relationship between Chief Officers' Pay, the Lowest Paid Workers, and the Wider Workforce

1.5.27 The information in this paragraph sets out the relationship between Chief Officers Pay, the Lowest Paid Workers, and the Wider Workforce in terms of:

- The pay multiple;
- The terms and conditions of service that apply to different groups of employees; and
- The job evaluation principles that apply to pay and grading.

Publication of and access to information relating to remuneration of chief officers

1.5.28 This paragraph states that the Pay Policy Statement and other pay data can be found on the Authority's website.

1.6 Decision options:

1.6.1 The following decision options are available for consideration by Council:

Option 1

Approve the Pay Policy Statement for 2017/18.

Option 2

Not approve the Pay Policy Statement for 2017/18.

1.7 Reasons for recommended option:

1.7.1 Option 1 is recommended for the following reasons:

The proposed Pay Policy Statement is a representation of how the Authority manages its current pay decisions and complies with the requirements of the Localism Act 2011

1.8 Appendices:

Appendix 1: North Tyneside Council Pay Policy Statement 2017/18.

1.9 Contact officers:

Alison Lazazzera, Head of Human Resources & Organisational Development, tel. 643 5012

Carol Murphy, Strategic HR Specialist, tel. 643 5027

Stephen Ballantyne, Lawyer Specialist – Governance and Employment, tel. 643 5329

Janice Gillespie, Head of Finance, tel. 643 5701

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Localism Act 2011
- (2) Openness and accountability in local pay: Guidance under section 40 of the Localism Act – Department for Communities and Local Government February 2012.
- (3) The Code of Recommended Practice for Local Authorities on Data Transparency – Department for Communities and Local Government September 2011.
- (4) Hutton Review of Fair Pay in the public sector March 2011.
- (5) Localism Act: Pay Policy Statements Guidance for Local Authority Chief Executives – Local Government Association and Association of Local Authorities Chief Executives (ALACE). November 2011.
- (6) Local Government and Housing Act 1989

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

- 2.1.1 The Authority must ensure that what is agreed in its Pay Policy Statement is applied in practice and where there are financial thresholds these must be adhered to.

2.2 Legal

- 2.2.1 The Localism Act 2011 requires a Pay Policy Statement to be prepared for each financial year and approved by the end of March each year by Authority and published. The Full Council Meeting has responsibility for approving the Pay Policy Statement.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The relevant Cabinet Member and Elected Mayor and Senior Leadership Team have been briefed on the proposed Pay Policy Statement. The trades unions have also been consulted.

2.3.2 External Consultation/Engagement

The Trades Unions have been given the opportunity to comment on the Pay Policy Statement.

The Pay Policy Statement is a description of what the Authority applies currently as part of its Constitution, and through HR Policy and process. All have been through agreed consultation channels with managers and recognised trades unions.

As part of the requirements of the Localism Act 2011 any decisions on the pay and terms and conditions of employment for the workforce must be reflected in annual pay policy statements. National agreements cover the pay and terms and conditions of employment of the workforce and any proposed changes to these agreements would be shared and consulted on with the trades unions as part of an ongoing dialogue to comply with appropriate legal obligations on consultation.

2.4 Human rights

2.4.1 The proposals in this report support the Authority's adherence to Human Rights legislation.

2.5 Equalities and diversity

2.5.1 The proposals in this report support the Authority's equality and diversity approach. The Authority's pay and grading structures are underpinned by job evaluation schemes, the outcomes of which have been subject to an equality impact assessment.

2.5.2 The use of a job evaluation scheme provides a systematic way of comparing and assessing individual jobs in an objective way to make sure that there is a fair and equal pay system in place which does not discriminate between male and female employees

2.6 Risk management

2.6.1 The proposals in the Pay Policy Statement reflect the application of the Authority's job evaluation schemes and pay and grading structures. Any deviation from this could destabilise the pay and grading structures leading to inconsistencies and a risk of further equal pay claims against the Authority. In the last staff survey most employees stated that they perceived their pay to be fair.

2.6.2 Risks around pay and grading are managed through corporate risk management responsibilities.

2.7 Crime and disorder

2.7.1 The proposals in this report do not relate to crime and disorder.

2.8 Environment and sustainability

2.8.1 There are no environmental and sustainability implications directly arising from this report.

PART 3 - SIGN OFF

- Deputy Chief Executive

X

- Head of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy

North Tyneside Council Pay Policy Statement 2017/18

1. Introduction

The Authority understands the importance of openness and transparency in setting pay and grading for staff. It aims to have clear written policies that ensure decisions on pay are fair, consistent and equitable across the workforce.

It will consult with stakeholders on remuneration and pay and grading structures within the Authority to ensure that the views of the workforce are considered.

A periodic review will be conducted to ensure that salaries take account of and reflect the work and responsibility of jobs undertaken by the Authority's employees.

The Authority recognises its responsibility to its employees that salary levels are seen as fair across the organisation from top to bottom.

It is vital that the Authority can demonstrate value for money particularly for senior roles within the organisation whilst at the same time being able to be in the best position to recruit and retain talented people to work in the organisation.

The Authority's current senior management structure consists of a Chief Executive, a Deputy Chief Executive, a number of Heads of Service and a Director of Public Health delivering a range of services for its communities through a number of delivery models. The Authority continues to deliver services in house but also has arrangements in place to deliver specific services with a range of partners in the public, private and voluntary sectors.

The Authority employs approximately 2,826 people (excluding school based employees) of which 12 posts are chief officer positions. These posts represent less than 1% of the Authority's overall workforce.

This document sets out the Authority's approach to how it sets the remuneration of its employees. It also describes how it intends to fulfil its statutory obligations in line with the Localism Act 2011.

The Authority also publishes data on senior salaries and the structure of the Authority's workforce on its website in line with the Code of Recommended Practice for Local Authorities on Data Transparency and the Accounts and Audit (England) Regulations 2011.

2. The Localism Act

Section 38 (1) of the Localism Act 2011 required the Authority to produce and publish a Pay Policy Statement by 1 April 2012 and then on an annual basis.

The Pay Policy Statement must set out the Authority's approach 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 those who are not Chief Officers.

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The Statement must also include what the Authority defines as the “lowest-paid employees and why it has chosen to adopt this definition.

3. Definitions

The Authority has used the definition of “Chief Officer” as set out in Section 43 of the Localism Act 2011 for the purposes of this Statement.

A “Chief Officer” is defined as:

- (a) the Head of Paid Service designated under section 4(1) of the Local Government and Housing Act 1989;
- (b) the Monitoring Officer designated under section 5(1) of that Act;
- (c) a statutory chief officer mentioned in section 2(6) of that Act; or
- (d) a non-statutory chief officer mentioned in section 2(7) of that Act; or
- (e) a deputy chief officer mentioned in section 2(8) of that Act.

The lowest paid employees are defined by the Authority as those employed in jobs paid on the Authority’s lowest two salary grades, Grades 1 and 2 (spinal column points 6 to 9) excluding apprentices.

The Authority has adopted this definition based on the fact that these are the first two grades on the Authority’s Pay and Grading Structure and reflect the lowest paid jobs within the Authority that have been job evaluated.

4. Remuneration for Chief Officers

The remuneration for the Authority’s Chief Officers is designed to attract and retain high calibre staff with the vision and ability to deliver key policy objectives. Alongside this is recognition that as a public sector organisation there is a public duty to ensure that financially this delivers value for money on behalf of the electorate, particularly at the highest level of the organisation.

The Authority currently uses the Hay Job Evaluation Methodology and the Gauge ‘Green Book’ Scheme to assess the size and relative responsibility of the job roles of its senior workforce. The salaries for these jobs are assigned using the North Tyneside Senior Pay Scales which are set out in Appendix A and the pay and grading structure for ‘Green Book’ employees as set out in Appendix B. Grades consist of spot salaries with no incremental progression in the North Tyneside Senior Pay Scales or a number of incremental points in the ‘Green Book’ Scheme. These pay scales are locally determined and were implemented from 1 April 2007, following Council approval.

The NHS Agenda for Change pay bands and pay points from 1 April 2013 are set out in the NHS Terms and Conditions of Service Handbook and the Pay Circular (A/C) 1/2013 effective from 1 April 2013. Posts transferred across from the NHS to the Authority on 1 April 2013 which have not been affected by a restructure continue to have these terms and conditions of service applied to them.

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On 1 April 2017 the Council is transferring a number of Health Visitors and School Nurses from the NHS into the Council as a TUPE transfer. Pay bands and pay points for these posts are as set out in the NHS Terms and Conditions of Service Handbook and the Pay Circular (A/C) 1/2016 effective from 1 April 2016.

The Council has agreed to honour the NHS Pay Award for 2017 which is in the process of being negotiated but thereafter intends to apply any Pay Awards agreed by the National Joint Council for Local Government Services for staff covered by the 'Green Book' terms and conditions of service.

The Authority currently does not apply any performance related pay scheme or bonuses for its Chief Officers.

Chief Officer and senior salaries:

Job Role	Grade (Spinal Column Point)	Salary (per annum)
Chief Executive	Grade 28 (069)	£147,915
Deputy Chief Executive	Grade 27 (068)	£122,412
Head of Service	Grade 20 (062) to 26 (067)	£79,442 - £102,229
Senior Managers	Grade 12 (050) – Grade 19 (060)	£44,594 - £72,655
	Grade 11 (044 – 049)	£39,177 - £43,821

The Authority has three posts with a salary package of above £100,000 per annum which are the Chief Executive, Deputy Chief Executive and Head of Health, Education, Care and Safeguarding.

The Authority is required to designate the roles of Head of Paid Service, Chief Finance Officer (Section 151 Officer) and the Authority's Monitoring Officer to individual Officers.

5. Remuneration of Chief Officers on recruitment

It is the role of the Council to approve the Authority's pay and grading structures for its employees. The Council approved the current pay and grading structures for its employees on the following dates:

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- 1 April 2007 (the Green Book Scheme Pay and Grading Structure (Spinal Column Points 4 - 49)
- 1 April 2008 (the North Tyneside Senior Pay Scales (Spinal Column Points 50 - 69)
- 14 July 2014 restructure of Senior Leadership Team amended pay lines of Chief Officer Grades from Grade 20 to Grade 28.

The Chief Executive, Deputy Chief Executive, Director of Public Health, Heads of Service and senior manager's job roles (as with all job roles within the Authority) are allocated the appropriate grade within the Authority's pay and grading structures depending upon the evaluated outcome of their job role.

Other terms and conditions of service for Chief Officers (as appropriate) are set out in the national agreements produced by:

- the Joint Negotiating Committee for Chief Executives;
- the Joint Negotiating Committee for Chief Officers of Local Authorities; and
- the Joint Negotiating Committee for Local Government Services (the Green Book).

Chief Officers are entitled, as are all employees with 3 months or more employed service, to be enrolled in the Local Government Pension Scheme.

The Authority's Cabinet is responsible for determining the organisational staffing structures of the Authority.

All salary packages will accord, as set out above, with the requirements of the Authority's pay and grading structures and will depend on the evaluated outcome of a post job role and responsibilities.

The appointment of individuals to the posts of Chief Executive, Deputy Chief Executive, Director of Public Health and Heads of Service is the responsibility of the Authority's Appointments and Disciplinary Committee.

Chief Officers can also be engaged under a contract for services as a contractor. The engagement of Chief Officers under a contract for services is the responsibility of the Authority's Cabinet.

In the procurement of a Chief Officer under a contract for services Cabinet will:

- a) comply with the Authority's Standing Orders in relation to Contracts and any other requirements of the public procurement regime; and
- b) ensure that any engagement will not cost more than the annual salary, with the relevant on costs, of employing a Chief Officer in that role.

Where a Chief Executive, Deputy Chief Executive, or Head of Service is engaged under a contract for services by Cabinet, the Council will be informed of these arrangements.

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6. Changes to remuneration for each Chief Officer

Any changes to the remuneration of a Chief Officer will apply only in the following circumstances:

- a pay award agreed through national pay bargaining arrangements;
- a change to the role and its responsibilities warrants a change in grade through the agreed job evaluation process;
- there is evidence of a recruitment and/or retention problem, at which point the relevant policy (eg. a market supplement) will be applied in order to determine the appropriate payment;
- temporary additional duties and responsibilities warrant an honorarium or other temporary payment in line with agreed policy;
- in relation to a Chief Officer engaged under a contract for services in accordance with provisions of the contract and the public procurement regime.

7. Payments to Chief Officers upon termination of their employment

Chief Officers who cease to hold office or be employed by the Authority will receive payments calculated using the same principles as any other member of staff, based on entitlement within their contract of employment, their general terms and conditions, and existing policies.

The Authority has agreed policies and procedures in place that will apply to any Chief Officer leaving the Authority's employment by way of early retirement, redundancy (voluntary or otherwise) or on the grounds of efficiency of the service.

Chief Officers who cease to be engaged under a contract for services will receive any monies due to them in accordance with the provisions of the contract for services.

8. Re-engagement of Chief Officers Previously Employed by the Authority.

Chief Officers leaving the Authority under the Restructure and Redundancy procedure will not be re-employed by the Authority in any capacity without the approval of the Appointments and Disciplinary Committee.

9. Payments to Chief Officers for Election Duties

Fees for local election duties undertaken by Chief Officers on behalf of the Authority are included in their salaries.

Fees for the Returning Officer and Deputies and other electoral duties are identified and paid separately for elections to Parliament, the European Parliament and other electoral processes such as referenda.

10. The Policy Relationship between Chief Officers Pay, the Lowest Paid Workers, and the Wider Workforce

The 'pay multiple' for the Authority is determined by comparing the remuneration for

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the highest paid employee against that of the median average earnings for the organisation as a whole.

The pay multiple for the Authority is 1:7 based on the median average earnings of £21, 745 and the current remuneration of the highest earning employee.

The Authority determines the salaries for the majority of its jobs through a process of job evaluation and allocation to the pay and grading structures set out above. There are, however, a small minority of job roles that continue to have their salary set by nationally negotiated agreements such as the Soulbury Committee; Joint Negotiating Committee for Youth Workers and Joint Negotiating Committee for Craft Workers (Red Book Employees).

For a small number of centrally employed Teachers their pay and conditions are set out under The National School Teachers Pay and Conditions Document and adopted through the Centrally Employed Teachers Pay Policy 2016 effective for the 2016/2017 Academic Year of 1 September 2016 to 31 August 2017 in conjunction with the Centrally Employed Teachers Appraisal Policy 2016.

All Authority employees have their terms and conditions of employment set by national or local collective bargaining arrangements.

The national agreement that covers the terms and conditions of employment for the majority of staff is the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service known as the Green Book.

Where the Authority has agreed local pay and grading structures through local collective bargaining it uses job evaluation to assess the relative worth of each job role within the Authority against other jobs. This covers the highest paid job role to the lowest. The use of job evaluation ensures that a fair and equitable method is used to set pay and grading structures within the Authority.

11. Interim Support Arrangements

New arrangements for those appointed under a contract for services, via an individual's private company, for the payment of income tax and national insurance will come into affect from April 2017. These new arrangements will require an assessment of the individual contract for services by the Authority and appropriate steps will need to be taken to comply with the Revenue and Customs requirements.

Gender Pay Gap Reporting

The Government is intending to amend the law to include a mandatory requirement for public bodies with 250 or more employees to undertake gender pay gap reporting.

A 'snapshot' of pay data on 5th April 2017 will be taken and the data analysed and reported on up to 4th April 2018 and thereafter on an annual basis in the relevant year.

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The first report to comply with this duty will be included as part of next year's pay policy statement.

12. Publication of and Access to Information relating to Remuneration of Chief Officers

The Authority will publish this Policy statement, following approval of Council on the Authority's website.

In addition remuneration related data associated with the Pay Policy Statement and Code of Recommended Practice for Authorities on Data Transparency will be also published on the Authority's website.

Salary Tables - 1st April 2017

SCP	Salary	Salary Scale
6	15,014	Grade 1
7	15,115	
8	15,246	Grade 2
9	15,375	
10	15,613	Grade 3
11	15,807	
12	16,123	
13	16,491	Grade 4
14	16,781	
15	17,072	
16	17,419	
17	17,772	Grade 5
18	18,070	
19	18,746	
20	19,430	
21	20,138	Grade 6
22	20,661	
23	21,268	
24	21,962	
25	22,658	Grade 7
26	23,398	
27	24,174	
28	24,964	
29	25,951	Grade 8
30	26,822	
31	27,668	
32	28,485	
33	29,323	
34	30,153	Grade 9
35	30,785	
36	31,601	
37	32,486	
38	33,437	
39	34,538	Grade 10
40	35,444	
41	36,379	
42	37,306	
43	38,237	
44	39,177	Grade 11
45	40,057	
46	41,025	
47	41,967	
48	42,899	
49	43,821	
50	44,594	Hay Grade 12
51	46,015	
52	47,542	
53	49,068	Hay Grade 13
54	50,806	
55	53,544	Hay Grade 14
56	56,544	Hay Grade 15
57	59,808	Hay Grade 16
58	63,599	Hay Grade 17
59	67,759	Hay Grade 18
60	72,655	Hay Grade 19
61	79,442	Hay Grade 20
62	82,720	Hay Grade 21
63	86,154	Hay Grade 22
64	89,847	Hay Grade 23
65	93,749	Hay Grade 24
66	97,859	Hay Grade 25
67	102,229	Hay Grade 26
68	122,412	Hay Grade 27
69	147,915	Hay Grade 28

**North Tyneside Council
Report to Council
Date: 23 March 2017**

ITEM 9

Title: Motions

Notice has been received of the following motions from Members of the Council to be put to the Council meeting.

Motion 1 signed by Councillors Peter Earley, Matthew Thirlaway and Wendy Lott.

Council notes:

Due to recent changes to legislation, victims of domestic abuse now have to provide a piece of evidence – such as a GP's letter, which can incur a cost of upto £175, to prove the abuse before they can access legal aid.

Council calls upon the Mayor to:

Write to the Prime Minister calling upon her to scrap the unjust fee in seeking such evidence.

Financial Implications

Legal Implications

Motion 2 signed by Councillors Carl Johnson, Andy Newman and Anthony McMullen.

Council notes:

The sustainable development of Newcastle International Airport plays a crucial role in our efforts to re-balance the economy and to support new business growth.

The disappointing lack of a plan to find a solution for regional airports in the Budget is a matter of concern.

Council Calls upon the Mayor to:

Write to the chancellor setting out our concerns asking him to commit to finding a solution to protect regional airports from a cut to Airport Duty in Scotland.

Financial Implications

Legal Implications

North Tyneside Council

Report to Council

Date: 23 March 2017

ITEM 13

Title: Questions by
Members of the Council

Notice has been received of the following questions from Members of the Council to be put to the Council meeting.

1. Question to the Elected Mayor by Councillor J Wallace

Can the Mayor explain why a resident paid £2.40 more to take his grandchild swimming in North Tyneside during half term than he did the following week, bearing in mind that they went at the same time on the same day of the week and they were both in possession of Ease cards on both occasions?

2. Question to the Elected Mayor by Councillor E Hodson

Does the Mayor share my regret that the new Civic car is diesel fuelled rather than by cleaner electricity?

3. Question to the Elected Mayor by Councillor E Hodson

Could the Mayor update Council concerning the Combined Authority's uncertainty as to whether to work with the Government, in order to gain greater independence and authority for the Region, or not?

4. Question to the Elected Mayor by Councillor E Hodson

Could the Mayor inform Council as to the Combined Authority's plan of action by which to secure the best possible Brexit result, for the North East of England - including North Tyneside?

5. Question to the Elected Mayor by Councillor J Wallace

Since fishing has been an important industry in North Tyneside and will be even more important once we leave the European Union, what is the Elected Mayor doing to encourage that industry?

6. Question to the Elected Mayor by Councillor S Graham

The three ward Councillors for Whitley Bay have grave concerns about the government's proposal to close the DWP office in Whitley Bay in March 2018. This closure will require local residents in the coastal area of the Borough seeking work or training opportunities to travel to the nearest DWP office in North

Shields. In many cases this additional travel will cause financial hardship to local residents who are on very low incomes.

Would the Elected Mayor, write to the Secretary of State expressing the grave concerns of the Council and call for the proposed closure to be reversed?