



**MINUTES of
FINANCE AND CORPORATE SERVICES COMMITTEE
7 MARCH 2017**

PRESENT

Chairman	Councillor D M Sismey
Vice-Chairman	Councillor I E Dobson
Councillors	Mrs B F Acevedo, J P F Archer, A S Fluker, and Rev. A E J Shrimpton
Ex-Officio Non-Voting Member	Councillor B S Beale MBE
Substitute Members	Councillors M F L Durham and Miss M R Lewis

1073. CHAIRMAN'S NOTICES

The Chairman drew attention to the list of notices published on the back of the agenda.

1074. APOLOGIES FOR ABSENCE AND SUBSTITUTION NOTICE

Apologies for absence were received from Councillors Mrs H E Elliott and B E Harker. In accordance with notice given Councillor Miss M R Lewis was attending as a substitute for Councillor Mrs Elliott and Councillor M F L Durham as a substitute for Councillor Harker.

1075. MINUTES OF THE LAST MEETING

RESOLVED that the Minutes of the meeting of the Committee held on 31 January 2017 be approved and confirmed.

1076. DISCLOSURE OF INTEREST

There were none.

1077. PUBLIC PARTICIPATION

No requests had been received.

1078. CHAIRMAN'S GOOD NEWS ANNOUNCEMENTS

There were none.

1079. UPDATE TO ICT STRATEGY 2015 / 19

The Committee received the report of the Interim Director of Resources, providing an update of progress on projects in the Information Communications Technology (ICT) Strategy 2015 – 19.

The ICT Strategy was approved in March 2015 and the current status of projects was shown at Appendix 1 to the report. A number of additional projects had been identified since the ICT was approved and these were set out in Appendix 2.

It was noted that Security and IT security were included in level two of the plan and the Interim Director of Resources advised that there had been an Internal Audit on cybercrime and cyber security. The Interim Director of Resources had reviewed the recommendations from the audit and will be ensuring that the recommendations were being implemented. In response a question regarding Members security, the IT Manager explained that all Members were required to sign the Council's IT Policy which included commitment to IT security and training. The new Policy would also include cyber security.

In response to a question regarding the Council's iPads and the function 'find my iPad' the IT Manager advised that this function should be enabled on all Council iPads and he would ensure this was the case.

RESOLVED that the contents of the report be noted.

1080. PAY POLICY STATEMENT

The Committee considered the report of the Interim Director of Resources seeking the Council's approval of a Pay Policy Statement to meet the Localism Act 2011 requirements. The Pay Policy Statement for 2017 / 18 was attached as Appendix 1 to the report.

In response to a question regarding Job Evaluation and the increased use of market supplements, the Group Manager - People, Performance and Policy explained that the Council was required to undertake Job Evaluation and she understood that to have not implemented would mean not being in compliance with legislation. Members were informed that pay supplements were allowed and used by the Council in response to skill shortages. The Chairman asked the Group Manager to look at how some of the posts with skill shortages could be filled and whether there was still a legal obligation to use Job Evaluation.

In response to a question regarding zero hours contracts, the Group Manager explained to the Committee when and how these were used, where appropriate.

The Group Manager clarified, in response to a question, that all information regarding Officers' salaries over £50,000 was published on the Council's website.

RECOMMENDED that the Pay Policy Statement attached as **APPENDIX 1** to these Minutes be adopted for the financial year 2017 / 18.

1081. SUPPLEMENTARY ESTIMATES AND VIREMENTS: 12 JANUARY - 17 FEBRUARY 2017

The Committee received the report of the Interim Director of Resources, reporting virements and supplementary estimates agreed under delegated powers and procurement exemptions granted in the period 12 January to 17 February 2017.

Members were advised that there had been no virements or supplementary estimates for this period.

It was noted that there had been two procurement exemptions from Finance Services and the Leisure, Countryside and Tourism Services. Details of these exemptions were set out in the report.

The Interim Director of Resources informed Members that since publication of the report the exemption from the Leisure, Countryside and Tourism Service regarding commissioning a visitors hub in Burnham-on-Crouch had lapsed and Members were advised that no monies had been spent on this.

In response to a question regarding the exemption regarding asset valuation the Interim Director of Resources advised that the £19,000 detailed was the combined budget year end valuation of the Council's assets.

RESOLVED that the procurement exemption from Finance Services regarding Asset Valuation Services required for the Year End Accounts closure as set out in the report be noted.

Councillor B S Beale raised a point of accuracy regarding the Minutes at this point and was advised by the Chairman to take it up with the Committee Clerk after the meeting.

1082. PROJECT 180 - ST. CEDDS HOUSE DEMOLITION AND FORMATION OF CAR PARK FINAL ACCOUNT

The Committee considered the report of the Interim Director of Resources seeking Members approval of a supplementary estimate for the payment to the contractor in relation to Project 180 – St Cedds House demolition and formation of a car park.

Members were reminded of a report from the Interim Director of Resources approved by the Council at its meeting on 15 December. A copy of the report was attached as Appendix A to the report. The report provided further background information regarding this project. A copy of the final statement of account was attached at Appendix B to the report together with the budgetary approval and expenditure to date.

Members commented on the contract process and it was felt that formation of the car park should have been a separate project to that of St. Cedds House demolition. The Interim Director of Resources agreed with these comments and provided Members with

further background information and details of the resulting overspend on the whole Project 180.

RESOLVED

- (i) that Members note the final account for the demolition and formation of the carpark contract;
- (ii) that the Committee approves a supplementary estimate of £11,046 for the final payment to the Contractor.

1083. PROCUREMENT AND CONTRACT MANAGEMENT

The Committee considered the report of the Interim Director of Resources outlining some of the steps the Council could take to improve its procurement practice and more importantly contract management once the contract had been awarded. The report sought Members' comments regarding implementing a culture of consistency, good procurement and contract management once the contract had been awarded.

The report provided detailed information regarding contract procurement and management including good practice. Members noted that operational arrangements were in place in respect of the oversight on procurement activity and to ensure the observance of the Council's Financial and Contract Procedure rules. The Council's current arrangements with the Essex Procurement Hub had also been reviewed.

The Interim Director of Resources pointed out that there had been a duplication of paragraph 3.7.2 in the report. The Director advised how he had drawn good contract practices and policies from various sources. Members were advised of the need to put in place arrangements to ensure clear monitoring of the capital programme in terms of its finances, physical works and spending against budgets.

Councillor D M Sismey suggested that in the interim the Council put a higher level of scrutiny on procurements with a budget of over £50,000.

Concern was raised regarding the use of Contracts Finder and it was felt that its use stopped more local businesses bidding for contracts with the Council. In response, the Interim Director of Resources advised that Contracts Finder was a Government service and system which the Council was required to use. The Director advised that when approached a number of local businesses had expressed a reluctance to spend the time and effort to bid for work through Contracts Finder and there was therefore a need for the Council to encourage them. He highlighted some of the work that could be done by the Council's Economic Development Service to support local businesses, part of which could include a guide on 'How to do business with the Council'.

In response to other questions the Interim Director of Resources explained that Prince2 practices whilst good for a large project proved onerous for smaller projects and therefore any recognised methodology would need to be adapted to the requirements of the project under consideration.. The Head of Legal Services is involved at the time of procuring contracts. The Director supported the suggestion for escalation of checking projects over £50,000 and advised that this could be brought in. He suggested that the

Corporate Leadership Team could be the final approver and sign off of a contract to go ahead and monitored through quarterly arrangements.

Councillor Sismey proposed that for contracts over £50,000 that as an interim arrangement until the new Director of Resources came back with a new approach that the Corporate Leadership Team sign off all key stages of such contracts and contractual terms. This proposal was duly seconded and agreed.

At this point in the meeting the Chairman welcomed Ms Carrie Cox, Finance Manager to the meeting and the Council. He also expressed his thanks and those of the Committee to Mr Kamal Mehta, Interim Director of Resources for the fantastic job he had done for the authority over the last five months.

RESOLVED

- (i) that the contents of the report be noted;
- (ii) that for contracts over £50,000 that as an interim arrangement until the new Director of Resources came back with a new approach that the Corporate Leadership Team sign off all key stages of such contracts and contractual terms.

1084. FINAL COUNCIL TAX SETTING 2017 / 18

The Committee received a verbal report from the Interim Director of Resources which advised that the Local Government Finance Settlement had been provisional at the time the Council set its own budget and the Council Tax for the area. The final settlement was published on 20 February 2017. There was no change between the provisional and final settlement. The Interim Director reported that there was a difference of £7,000 to what had been brought into the budget and considered by the Council in respect of one of the grants. The Interim Director of Resources suggested that this be corrected at revised estimates time in October / November rather than changing all figures at this time. This was noted.

1085. URGENT BUSINESS

The Chairman announced that in accordance with Section 100b(4) of the Local Government Act he had agreed to allow the Director of Resources to raise an urgent item of business as a response is required to a request from Simon Gallagher, Director of Planning at the Department for Communities and Local Government (DCLG) by Monday 13 March 2017. This was agreed by the Committee.

1086. URGENT BUSINESS: PLANNING APPLICATION FEES - AN OFFER FROM GOVERNMENT

The Committee considered the urgent report of the Interim Director of Resources seeking Members approval to accept an offer from Government to increase planning fees by 20% from July 2017, on the basis that the Council commits to invest this additional income directly into the Planning Service.

It was noted that the report had been considered by the Planning and Licensing Committee at its meeting on 2 March 2017 who had recommended that this Committee support acceptance of the Government's offer.

Members were advised of a letter received from Simon Gallagher, Director of Planning at the Department for Communities and Local Government (DCLG) (attached at Appendix 1 to the report) sent to all Local Planning Authorities (LPA) setting out the opportunity to increase planning fees by 20% from July 2017, as long as the LPA committed to investing the additional fee income directly into the planning service. The report expanded further on this request, along with Council's need to improve its competitive position in terms of recruitment and retention of planning staff. Appendix 2 to the report set out the revised Development Management Fees should Council accept the offer.

The Interim Director of Resources advised that he had made representation to the DCLG on behalf of the Council in light of the next Council meeting being after the deadline for response and the DCLG had agreed to wait until 6 April to receive the decision of this Council regarding whether it would accept the offer. Members were informed that the Finance Manager in conjunction with the Group Manager, Planning Services had considered the timing of all expected applications and it was estimated that an additional of £100,000 could arise if the Council accepted the Government's offer.

RECOMMENDED that the Government's offer to increase planning fees by 20% from July 2017 is accepted, with a commitment to invest this additional fee income directly into the planning service.

There being no further items of business the Chairman closed the meeting at 8.35 pm

D M SISMEY
CHAIRMAN

(a)
(b)

Document Control Sheet

Document title	Pay Policy Statement
Summary of purpose	Compliance with Localism Act
Prepared by	Group Manager ; People, Performance and Policy
Status	Final
Version number	5
Approved by	
Approval date	
Date of implementation	Immediate
Review frequency	Annual (or as necessary before then)
Next review date	January 2018
Circulation	
Published on the Council's website	Yes

Validity Statement

This document is due for review by the date shown above, after which it may become invalid. Users of the strategy or policy should ensure that they are consulting the currently valid version of the document.



MALDON DISTRICT
COUNCIL

Pay Policy Statement

Note: This Statement has been written to meet the statutory requirements of the Localism Act 2011 and to aid transparency in respect of Maldon District Council's policy regarding pay to the highest and lowest paid staff.

1. General policy

- 1.1 The Council has undertaken a Job Evaluation exercise which reviewed every post in the Council, up to and including the Chief Executive, on a consistent basis and placed them within a single unified pay scale. The pay scale was designed to be consistent with best practice and benchmarked as to value and applies up to and including Director level. In accordance with the Council's constitution, the remuneration of the posts of Chief Executive and Directors were set by the Appointments Committee composed of elected Members of the authority.
- 1.2 The Job Evaluation process was designed to achieve compliance with Equal Pay legislation and, further to this, the contractual terms and conditions of staff were also standardised at the same time. The effect is that the remuneration of all Council employees is governed by a single set of policies and procedures. This is reflected in the Pay Policy statements below.
- 1.3 The pay multiple for 17/18 is based on the ratio of the Chief Executives Salary to all other employees average FTE salary and equates to 3.64. The Government has considered setting twenty to one as a maximum. As a result it is not considered necessary to have a specific policy concerning the pay multiple. If the multiple starts to rise, for example above five to one, this could be reconsidered.

2. Policy regarding pay to "Chief Officers"

2.1 Definition of "Chief Officers" for the purposes of this statement

- 2.1.1 The term "Chief Officer" as employed in the Localism Act has a different meaning to the use made of it at Maldon District Council. For the purposes of this Pay Policy Statement only, the relevant posts are considered to be:

- Chief Executive
- The three Director posts
- The Monitoring Officer

2.2 Pay

- 2.2.1 Pay for the posts of Chief Executive was set by the Member Appointments Panel process and approved by the Council. The role of Director was introduced following the 2014 Senior Management Review and pay set by the Job Evaluation process. Now the pay line has been set it is subject to the same factors as the rest of staff pay, for example any annual pay award granted.

2.2.2 Any exception to this, such as a proposal to change the pay of senior staff out of line with normal pay awards would be subject to a report to the Council and approval being given.

2.2.3 An additional consideration is that the Chief Executive has delegated powers to award discretionary points on an officer's salary scale within approved budgetary limits where they deem it to be in the interests of the Authority. This only applies to points up to the maximum of the salary band for that post.

2.3 Performance related pay and bonuses

2.3.1 Maldon District Council does not have performance related pay or bonus payments for any staff. As there is no mechanism for linking pay and performance in this way 'earn back' arrangements are also not appropriate.

2.4 Fees, allowances, benefits in kind and expenses

2.4.1 The Chief Executive is also the Returning Officer for the District, meaning that the post holder has specific responsibilities in respect of all elections and national referenda held in the District. These duties attract fees that are variable depending on the election. For Parliamentary, Police and Crime Commissioner, European elections and national referenda these are set by the Government. For County elections there are set by Essex County Council. For District and Parish elections they are set locally.

2.4.2 Apart from this no fees, allowances, benefits on kind or expenses are available to the posts listed in 2.1, other than those available to all staff and on the same basis.

2.5 Pension

2.5.1 All staff are eligible to join the Local Government Pension Scheme in accordance with the terms of that scheme. No special considerations apply to the posts listed in 2.1.

2.6 Severance payments

2.6.1 Where senior staff leave in the normal course of business (resignation, retirement, etc.) the same procedures would be applied as for any other staff member and no additional payments would arise as a result.

2.6.2 Should a senior post be made redundant the post holder would receive redundancy payments in accordance with the Council's Managing Organisational Change policy that applies to all staff. The Council's policy is not to award any additional compensatory payments to staff.

2.6.3 Should a senior staff member leave as a result of a settlement agreement these, by their nature, are subject to negotiation with the individual and their representatives and so are variable in their terms. Such agreements are

formal legal arrangements and confidentiality binding on both parties is a key component, so any payment arising from such an agreement would not be published. Authorisation of the payment would be in accordance with the Council's terms of reference and scheme of delegation and it would need to represent value for money for the taxpayer in the circumstances.

- 2.6.4 Senior staff that were previously employed by the Authority and left with a severance or redundancy payment may be re-employed on a consultancy basis to cover short term staff pressures where it is considered appropriate in the public interest to do so.

2.7 Recruitment of senior staff

- 2.7.1 When recruiting to a senior post the salary offered would be that applicable to the grade of the post, as determined by Job Evaluation, and within the established pay line. No additional payments would arise, unless a market supplement to enable recruitment was considered justified due to a recognised technical skill shortage in the job market.
- 2.7.2 In the event that a senior post were to be filled by a person who had retired from another Authority and was in receipt of a pension it would be arranged so that the person was not better off overall, through abatement of pension and/or pay as applicable.
- 2.7.3 In accordance with the guidance set out in the Localism Act, Full council should be given the opportunity to vote before large salary packages (£100k or above) offered in respect of a new appointment. This will be considered by the Council should the opportunity arise in the future."

2.8 Monitoring Officer

- 2.8.1 The Monitoring Officer is not subject to any addition payment.

2.9 Publication of remuneration of senior staff

- 2.9.1 This Pay Policy Statement, once approved by the Council, will be published on the Council's website.
- 2.9.2 The remuneration and pension contributions of the posts listed in 2.1 above are published annually in the Financial Statements of the Authority and a copy placed on the website.

3. Lowest paid staff

3.1 Definition

- 3.1.1 The lowest paid staff at Maldon District Council are those in Pay Band A (£13,560 to £14,890). This definition has been chosen as reflecting the reality of the pay line. The posts in Band A were placed there as a result of the Council's Job Evaluation scheme.

3.2 Pay Policy in respect of lowest paid staff

- 3.2.1 The Council has confirmed its commitment to paying the National Living Wage of £8.45 per hour. Therefore, those in Pay Band A and some in Pay Band B (£15,603 - £16,665) are paid a supplement.
- 3.2.2 On the whole no special considerations apply to the lowest paid staff. They are subject to identical terms and conditions, procedures and policies as all other staff. In some cases these policies give slightly different benefits to different levels of staff. For example the lowest five pay bands (A to E) an enhanced pay rates for overtime is paid. No enhancement above grade E is paid. In contrast the basic amount of annual leave increases with pay. Overtime is only paid in exceptional circumstances to staff.

This page is intentionally left blank