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APOLOGIES Committee Services
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CHIEF EXECUTIVE'S OFFICE
CHIEF EXECUTIVE
Fiona Marshall

04 June 2018

Dear Councillor

You are summoned to attend the meeting of the;

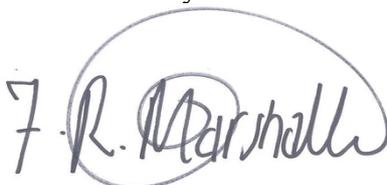
FINANCE AND CORPORATE SERVICES COMMITTEE

on **TUESDAY 12 JUNE 2018** at 7.30 pm.

in the Council Chamber. Maldon District Council Offices, Princes Road, Maldon.

A copy of the agenda is attached.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Fiona Marshall', enclosed within a hand-drawn oval.

Chief Executive

COMMITTEE MEMBERSHIP

CHAIRMAN

Councillor D M Sismey

VICE-CHAIRMAN

Councillor I E Dobson

COUNCILLORS

Mrs B F Acevedo
J P F Archer
P G L Elliott
A S Fluker
B E Harker
M S Heard
Rev. A E J Shrimpton

Ex-officio non-voting Members:

Councillor Mark F L Durham CC
Councillor Brian S Beale MBE

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AGENDA
FINANCE AND CORPORATE SERVICES COMMITTEE
TUESDAY 12 JUNE 2018

1. **Chairman's notices (please see overleaf)**

2. **Apologies for Absence**

3. **Minutes of the last meeting** (Pages 7 - 34)

To confirm the Minutes of the meeting of the Finance and Corporate Services Committee held on 19 April 2018 (copy enclosed).

4. **Disclosure of Interest**

To disclose the existence and nature of any Disclosable Pecuniary Interests, other Pecuniary Interests or Non-Pecuniary Interests relating to items of business on the agenda having regard to paragraphs 6-8 inclusive of the Code of Conduct for Members.

(Members are reminded that they are also required to disclose any such interests as soon as they become aware should the need arise throughout the meeting).

5. **Public Participation**

To receive the views of members of the public on items of business to be considered by the Committee (please see below):

1. A period of ten minutes will be set aside.
2. An individual may speak for no more than two minutes and will not be allowed to distribute or display papers, plans, photographs or other materials.
3. Anyone wishing to speak must notify the Committee Clerk between 7.00pm and 7.20pm prior to the start of the meeting.

6. **Resources Directorate**

To receive a presentation from the Director of Resources.

7. **Review of Performance 2017 / 18** (Pages 35 - 56)

To consider the report of the Director of Resources, (copy enclosed);

8. **Human Resources Statistics - Quarter Four 2017 / 18** (Pages 57 - 70)

To receive and note the report of the Director of Resources, (copy enclosed).

9. **Human Resources Policies and Procedures** (Pages 71 - 74)
To consider the report of the Director of Resources, (copy enclosed).
10. **Annual Report on the Whistleblowing Policy** (Pages 75 - 76)
To receive and note the report of the Director of Resources, (copy enclosed).
11. **Financial Outturn 2017 / 18** (Pages 77 - 86)
To consider the report of the Director of Resources (copy enclosed).
12. **Annual Treasury Outturn 2017 / 18** (Pages 87 - 96)
To consider the report of the Director of Resources, (copy enclosed).
13. **Supplementary Capital Estimate** (Pages 97 - 102)
To consider the report of the Director of Resources, (copy enclosed).
14. **Strategic and Financial Planning Process** (Pages 103 - 108)
To consider the report of the Director of Resources, (copy enclosed).
15. **Proposals to Change to Office Opening Time to Public** (Pages 109 - 112)
To consider the report of the Director of Customers and Community, (copy enclosed).
16. **Chief Executive's Performance Appraisal** (Pages 113 - 118)
To consider the report of the Leader of the Council (copy enclosed).
17. **Any other items of business that the Chairman of the Committee decides are urgent**

NOTICES

Sound Recording of Meeting

Please note that the Council will be recording any part of this meeting held in open session for subsequent publication on the Council's website. At the start of the meeting an announcement will be made about the sound recording. Members of the public attending the meeting with a view to speaking are deemed to be giving permission to be included in the recording.

Fire

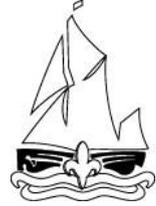
In event of a fire, a siren will sound. Please use the fire exits marked with the green running man. The fire assembly point is outside the main entrance to the Council Offices. Please gather there and await further instruction.

Health and Safety

Please be advised of the different levels of flooring within the Council Chamber. There are steps behind the main horseshoe as well as to the side of the room.

Closed-Circuit Television (CCTV)

This meeting is being monitored and recorded by CCTV.



**MINUTES of
FINANCE AND CORPORATE SERVICES COMMITTEE
19 APRIL 2018**

PRESENT

Councillors	Mrs B F Acevedo, P G L Elliott, A S Fluker, Miss M R Lewis and Rev. A E J Shrimpton
Substitute Members	Councillors S J Savage and Mrs M E Thompson
In Attendance	Councillors R G Boyce MBE and D M Sismey

1027. APPOINTMENT OF CHAIRMAN

In the absence of both the Chairman and Vice-Chairman it was:

RESOLVED that Councillor A S Fluker be appointed Chairman for the meeting.

IN THE CHAIR : COUNCILLOR A S FLUKER

1028. CHAIRMAN'S NOTICES

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

1029. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J P F Archer, I E Dobson, M F L Durham, CC, and D M Sismey.

In accordance with notice duly given it was noted that Councillor Mrs M E Thompson was attending as a substitute for Councillor Dobson and Councillor S J Savage was attending as a substitute for Councillor Sismey.

1030. MINUTES OF THE LAST MEETING

RESOLVED that the Minutes of the meeting of the Committee held on 6 March 2018 be approved and confirmed.

1031. DISCLOSURE OF INTEREST

Councillor A S Fluker advised that in the interest of openness and transparency and in relation to Agenda Item 10A Market Site – Update he knew and was an acquaintance of the claimant.

1032. PUBLIC PARTICIPATION

No requests had been received.

1033. LEVEL ONE BUSINESS PLAN 2018 / 19 - RESOURCES DIRECTORATE

The Committee considered the report of the Director of Resources seeking Members' approval of the Level One Business Plan 2018 / 19 for the Resources Directorate, attached at Appendix 1 to the report.

The report reminded Members of the existing Corporate Plan for the period 2015 – 2019 which set the vision and corporate goals that the Council agreed to focus on over the four year period along with a suite of high level outcomes associated with each goal. The Level One Business Plan provided the priorities and targets within the Resources Directorate for the next 12 months.

RESOLVED that the part of the Level One Business Plan for the Resources Directorate for 2018 / 19 be agreed.

1034. CORPORATE HEALTH AND SAFETY

The Committee received the report of the Director of Resources on Corporate Health and Safety activity for Quarter Four (1 January to 31 March 2018). A summary by Directorate and a description of the reported accidents and near misses were set out in the report.

Appendix 1 to the report provided details of progress with the Health and Safety Action Plan for 2017 / 18 and it was noted that all procedures had been reviewed although some service risk assessments were outstanding review.

The Health and Safety Action Plan 2018 / 19 was attached at Appendix 2 to the report.

It was noted that there were very few accidents and no near misses during quarter four and none of the accidents required follow up action. The number of unacceptable behaviour reports remained constant with no significant trend upwards.

Members were advised that the Council's Health and Safety Advisory had undertaken a legionella audit. The audit had resulted in some improvements being identified and these had been notified to the relevant managers for appropriate action.

RESOLVED

- (i) that the accident and incident statistics for quarter four be noted;

- (ii) that progress with the Health and Safety Action Plan for 2017 / 18 be noted;
- (ii) that the Health and Safety Action Plan for 2018 / 19 be agreed.

1035. HUMAN RESOURCES POLICIES AND PROCEDURES

The Committee considered the report of the Director of Resources seeking Members consideration of Human Resources policies and procedures which had been amended and developed.

Appendix 1 to the report provided a list of all policies and procedures which had recently been updated along with details of the amendments made.

A new Equality and Diversity in Employment Policy (Appendix 2 to the report) had been developed, to assist the Council in fulfilling its commitment to provide equal opportunities in employment whilst avoiding unlawful discrimination. Appendix 3 to the report contained Equality Act 2010 Guidance to be placed alongside the Equality and Diversity in Employment Policy.

In response to a question, the Director of Resources advised that equality and diversity training should be included as part of the induction process for new Members but also as a refresher for existing Members.

RESOLVED

- (i) that the updates to policies and procedures are noted;

RECOMMENDED

- (ii) That the Equality and Diversity Policy (**APPENDIX 1** to these Minutes) and Equality Act 2010 Guidance (**APPENDIX 2** to these Minutes) be approved.

1036. SUPPLEMENTARY ESTIMATES, VIREMENTS AND USE OF RESERVES: 1 FEBRUARY - 21 MARCH 2018

The Committee considered the report of the Director of Resources, reporting virements and supplementary estimates agreed under delegated powers and procurement exemptions granted. The report also sought Members' approval of a request to draw down on reserves.

Members were advised that there had been:

- no virements.
- one supplementary estimate to commence in 2018 / 19 for the Treasury Advisory Service. It was noted that having been out to tender one quotation had been received which was higher than the current budget allocation for the 2018 / 19 financial year. Following a review of contract costs from other Authorities it was noted that the contract cost was in line with the cost for other authorities.

- one procurement exemption for the Treasury Management Advisory Contract as only one tender had been received.

In response to a question regarding the Treasury Advisory Service and whether Councils could achieve economies of scale and value for money if such service was procured in bulk, the Director of Resources advised that this was being reviewed by Essex Finance Officers Association.

RESOLVED

- (i) that the supplementary estimate granted during the period 1 February – 21 March and as detailed in paragraph 3.3.1 of the report, be noted;
- (ii) that the procurement exemption granted during the period 1 February – 21 March and as detailed in paragraph 3.4.1 below be noted.

1037. URGENT ITEMS OF BUSINESS

Councillor A S Fluker announced that in accordance with Section 100B(4) of the Local Government Act 1972 the Chairman of the Committee had agreed to allow the Director of Resources to raise two urgent items of business as it was necessary to consider and make a decision on them prior to the next meeting of the Finance and Corporate Services Committee being Agenda Item 10A - Market Site Update and Agenda Item 10B - Lease of Office Accommodation. Due to the nature and content of these items the Committee agreed to consider them following Agenda Item 11 – Exclusion of Public and Press.

1038. EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 1, 2, 3 and 5 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

Further to the earlier agreement, it was agreed that the two urgent items of business would be considered after Agenda Item 13 – Legal Services Expenditure.

1039. CHIEF EXECUTIVE'S PERFORMANCE APPRAISAL

The Committee received the report of the Leader of the Council updating Members on progress of the Chief Executive's performance appraisal.

It was noted that the Chief Executive's appraisal had been undertaken on 29 January 2018 by the Leader and Deputy Leader of the Council. The appraisal reviewed performance against previous appraisal objectives which were set out in Appendix 1 to the report. Objectives to be set for the Chief Executive for 2018 / 19 were agreed at the appraisal and set out in the report.

A number of concerns were raised relating to the process of undertaking the Chief Executive's appraisal and whether the appraisal had been carried out in accordance with the agreed procedures. Concerns were also raised around the lack of reporting of this item during 2017 / 18. Councillor Miss M R Lewis stated that an appraisal had taken place in April 2017 and following a debate the Chairman advised that he would look into the issue and report back to the Committee.

In light of the comments raised Councillor A S Fluker proposed that the Committee should advise the Leader of the Council and Chief Executive that it did not believe that the Chief Executive's performance appraisal had been carried out correctly and procedures followed. In addition, a report should be brought back to this Committee once the correct procedures had been followed. This was agreed. Councillor Fluker also undertook to update the Committee by email on this item following discussions with the Leader of the Council and Chief Executive.

RESOLVED that the Leader of the Council and Chief Executive be advised that the Finance and Corporate Services Committee did not believe that the Chief Executive's performance appraisal had been carried out correctly and procedures followed. In addition, a report should be brought back to the Finance and Corporate Services Committee once it could be confirmed that correct procedures had been followed.

1040. LEGAL SERVICES EXPENDITURE 2014 / 15 TO 2016 / 17

The Committee considered the report of the Director of Resources providing a summary of the Council's expenditure on Legal Services following the decision in May 2014 to provide Legal Services internally.

The report provided detailed background information regarding the delivery of legal services at the Council including levels of expenditure incurred on legal services. The Director of Resources presented the report and highlighted a number of areas for Members' consideration.

Following a lengthy debate, a number of areas were highlighted for further investigation and it was:

RESOLVED that the Director of Resources:

- considers and reports on whether the appointment of the Deputy Monitoring Officer fully complied with the Council's Human Resources policies and procedures;
- reviews the options for the provision of legal services including outsourced delivery models with and without an in-house Monitoring Officer and reports back to this Committee;
- reviews and reports back on the mechanisms put in place by the Joint Negotiating Committee Handbook in respect to the role of Deputy Monitoring Officer;
- undertakes a review of the appointment of Deputy Monitoring Officer and whether this should be a Member appointment;

Councillor D M Sismey joined the meeting during this item of business.

1041. MARKET SITE - UPDATE

The Committee considered the urgent report of the Director of Resources, providing details of a recent offer received by the Council.

It was noted that this matter was brought forward for consideration, as it was necessary to consider and make a decision on the recent offer received prior to the next meeting of the Finance and Corporate Services Committee.

The report provided a summary of key issues and detailed background information. A map of the Market Site area was provided at Appendix 1 to the report.

A lengthy debate ensued, during which concerns were raised regarding the length of lease suggested (50 years) and level of discount requested. It was agreed that the recommendations in the report not be agreed but that the Director of Resources, in consultation with the Chairman of this Committee (or his substitute), be authorised having sought Counsel's advice to negotiate the terms of the lease with the claimant.

RESOLVED that the Director of Resources, in consultation with the Chairman of this Committee (or his substitute), be authorised having sought Counsel's advice to negotiate the terms of the lease with the claimant.

Councillor Rev. A E J Shrimpton left the meeting at this point.

1042. LEASE OF OFFICE ACCOMMODATION

The Committee considered the urgent report of the Director of Resources seeking Members' agreement to market unutilised space within the Council Offices on the open market to find a new tenant.

It was noted that this matter was brought forward for consideration, as it was necessary negotiate and enter into a new lease prior to the next meeting of the Finance and Corporate Services Committee.

Appendix 1 to the report provided a map of the Council offices highlighting the area for consideration.

RESOLVED that the Director of Resources in consultation with the Chairman of the Finance and Corporate Services Committee, and on the advice of a legal advisor and Independent Valuer, be authorised to negotiate and enter into a new lease for unutilised space in the Council Offices.

There being no further items of business the Chairman closed the meeting at 9.10 pm.

A S FLUKER
CHAIRMAN



Equality and Diversity in Employment Policy *(Draft)*



Document Control Sheet

Document title	Equality and Diversity in Employment
Summary of purpose	Maldon District Council is committed to providing equal opportunities in employment and avoiding unlawful discrimination. This policy is intended to assist the Council to put this commitment into practice. Compliance with this policy should also ensure that employees do not commit unlawful acts of discrimination.
Prepared by	HR
Status	Final
Version number	1
Approved by	
Approval date	
Date of implementation	
Review frequency	
Next review date	As required by legislative changes
Circulation	All staff
Published on the Council's website	

Validity Statement

This document is due for review as and when relevant legislation changes. Users of the policy should ensure that they are consulting the currently valid version of the document.

If you would like this information in large print, Braille or another language, please contact HR.



MALDON DISTRICT
COUNCIL

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Policy Statement

Maldon District Council is committed to providing equal opportunities in employment and avoiding unlawful discrimination.

This policy is intended to assist the Council to put this commitment into practice. Compliance with this policy should also ensure that employees do not commit unlawful acts of discrimination.

Striving to ensure that the work environment is free of harassment and bullying and that everyone is treated with dignity and respect is an important aspect of ensuring equal opportunities in employment. The Council has a separate Grievance Policy which deals with these issues.

Please refer to the Council's Equality Act 2010 Guidance for additional information on protected characteristics and types of discrimination, as covered by the Equality Act 2010.

Scope of this Procedure

1. Equal Opportunities in Employment

1.1 The Council will avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy. Person and job specifications will be limited to those requirements that are necessary for the effective performance of the job. Candidates for employment or promotion will be assessed objectively against the requirements for the job, taking account of any reasonable adjustments that may be required for candidates with a disability. Disability and personal or home commitments will not form the basis of employment decisions except where necessary.

1.2 See Supporting Disabled Employees Guidance.

2. Customers, suppliers and other people not employed by the Council

2.1 The Council will not discriminate unlawfully against customers using or seeking to use goods, facilities or services provided by the organisation.

2.2 Employees should report any bullying or harassment by customers, suppliers, visitors or others to their manager who will take appropriate action.

2.3 Please refer to the Council's Corporate Equality Policy for further information.

3. Training

3.1 The Council will provide learning opportunities in equal opportunities to staff to help them understand their responsibilities with regard to equalities and what they can do to help create a working environment free of bullying and harassment.

4. Employee Responsibilities

4.1 Every employee is required to assist the Council to meet its commitment to provide equal opportunities in employment and avoid unlawful discrimination.

4.2 Employees can be held personally liable as well as, or instead of, the Council for any act of unlawful discrimination. Employees who commit serious acts of harassment may be guilty of a criminal offence.

4.3 Acts of discrimination, harassment, bullying or victimisation against employees or customers are disciplinary offences and will be dealt with under the council's Disciplinary Policy. Discrimination, harassment, bullying or victimisation may constitute gross misconduct and could lead to dismissal without notice.

5. Grievances

5.1 Where an employee considers that they have been unlawfully discriminated against, or if the complaint involves alleged bullying or harassment, they may use the Council's Grievance Policy to make a complaint.

5.2 The Council will take any complaint seriously and will seek to resolve any grievance that it upholds. Employees will not normally be penalised for raising a grievance, even if the grievance is not upheld, unless the complaint is made in bad faith or for some other malicious or inappropriate reason.

5.3 Use of the Council's Grievance Policy does not affect an employee's right to make a complaint to an employment tribunal. Complaints to an employment tribunal must normally be made within three months beginning with the act of discrimination complained of.

6. Monitoring and Review

6.1 This policy will be monitored periodically by the Council to judge its effectiveness and will be updated in accordance with changes in the law.

6.2 Information provided for monitoring purposes will be used only for these purposes and will be dealt with in accordance with the Data Protection Act 1998.

The Equality Act 2010

The Act makes it unlawful to discriminate directly or indirectly in recruitment or employment because of:

- Age
- Disability
- Gender reassignment
- Marriage and Civil Partnerships
- Pregnancy & Maternity
- Race (which includes colour, nationality and ethnic or national origins)
- Religion or Belief
- Sex (formally Gender)
- Sexual orientation

These are known as "protected characteristics".

In addition, the Act also defines specific types of discrimination.

For further information on protected characteristics and types of discrimination see Equality Act 2010 Guidance.

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Equality Act 2010 Guidance



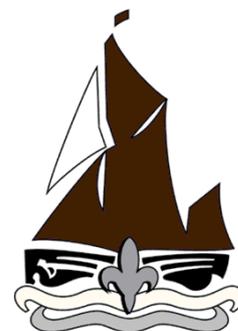
Document Control Sheet

Document title	Equality Act 2010 Guidance
Summary of purpose	Maldon District Council is committed to providing equal opportunities in employment and avoiding unlawful discrimination. This guidance document provides additional information on the protected characteristics and types of discrimination, as covered by the Equality Act 2010.
Prepared by	HR
Status	Final
Version number	1
Approved by	
Approval date	
Date of implementation	
Review frequency	
Next review date	As required by legislative changes
Circulation	All staff
Published on the Council's website	

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MALDON DISTRICT
COUNCIL

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Section 1 - Overview

This guidance document provides additional information on the protected characteristics and types of discrimination, as covered by the Equality Act 2010.

This guidance covers how we treat everyone; colleagues, customers and other stakeholders. The guidance should also be used when policies are being planned and services are commissioned. Further information can also be found in the Council's Corporate Equality Policy.

1. Scope

- 1.1 This document has been produced as a guidance document to enable those concerned to better understand the Equality Act.
- 1.2 Any issues relating to discrimination should be raised immediately with the line manager and / or Human Resources in conjunction with the Grievance Policy and Procedure.

2. Links to other Policies / Procedures:

MDC Equality and Diversity in Employment Policy
Disability Confident Scheme
Guide for Managers – the Duty to Make Reasonable Adjustments
MDC Corporate Equality Policy
Grievance Policy and Procedure (for further information on bullying and harassment)

Section 2 - Guidance

Protected Characteristics

1. Age

1.1 The Act protects people of all ages. However, different treatment because of age is not unlawful direct or indirect discrimination if it can be justified, i.e. if the employer can demonstrate that it is a proportionate means of meeting a legitimate aim. Age is the only protected characteristic that allows employers to justify direct discrimination.

1.2 An age group includes people of the same age and people of a particular range of ages. Where people fall in the same age group they share the protected characteristic of age. An age group would include “over fifties” or twenty-one year olds. A person aged twenty-one does not share the same characteristic of age with “people in their forties”. However, a person aged twenty-one and people in their forties can share the characteristic of being in the “under fifty” age range.

1.3 Where it is necessary to compare the situation of a person belonging to a particular age group with others, the Act does not specify the age group with which comparison should be made. It could be everyone outside the person's age group, but in many cases the choice of comparator age group will be more specific; this will often be led by the context and circumstances.

Example

A female employee aged 25 could be viewed as sharing the protected characteristic of age with a number of different age groups. These might include '25 year olds', 'the under 30s', 'the over 20s', and 'younger workers'.

The employee in this example might compare herself to 'over 25s', or 'over 35s', or 'older workers'. She could also compare herself to 'the under 25s' or '18 year olds'.

2. Disability

2.1 A person has a disability if they have a physical or mental impairment and the impairment has a **substantial** and **long-term** adverse effect on their ability to perform **normal day-to-day activities**.

2.2 This section replaces similar provisions in the Disability Discrimination Act (DDA) 1995 and provisions in secondary legislation made under the DDA.

2.3 For the purposes of the Equality Act, these words have the following meanings:

- **'substantial'** means more than minor or trivial
- **'long-term'** means that the effect of the impairment has lasted or is likely to last for at least twelve months (there are special rules covering recurring or fluctuating conditions)
- **'normal day-to-day activities'** includes everyday things like eating, washing, walking and going shopping, using a telephone, reading a book or using public transport.

2.4 Where people have the same disability, they share the protected characteristic of disability.

2.5 The Act puts a duty on employers to make reasonable adjustments for their employees to help them overcome disadvantage resulting from impairment, for example, by providing assistive technologies to help visually impaired staff use computers effectively.

2.6 The Act includes a new protection from discrimination arising from disability. This states that it is discriminatory to treat a disabled person unfavourably because of something connected with their disability (e.g. a tendency to make spelling mistakes arising from dyslexia). This type of discrimination is unlawful where the employer or other person acting for the employer knows, or could reasonably be expected to know, that the person has a disability. This type of discrimination is only justifiable if an employer can show that it is a proportionate means of achieving a legitimate aim.

2.7 Additionally, indirect discrimination now covers disabled people. This means that a job applicant or employee could claim that a particular rule or requirement you have in place disadvantages people with the same disability. Unless the employer can justify this, it would be unlawful.

2.8 The Act also includes a new provision which makes it unlawful, except in certain circumstances, for employers to ask about a candidate's health before offering them work.

Progressive conditions considered to be a disability

2.9 There are additional provisions relating to people with progressive conditions. People with HIV, cancer or multiple sclerosis are protected by the Act from the point of diagnosis. People with some visual impairments are automatically deemed to be disabled. For further information on visual impairments see the RNIB website (<http://www.rnib.org.uk>).

Reasonable Adjustments

2.10 The Act requires employers to make reasonable adjustments for their employees where a physical feature or a provision, criterion or practice puts a disabled person at a substantial disadvantage compared with someone who does not have that protected characteristic.

Example 1

Providing assistive technologies to help visually impaired employees use computers effectively.

Example 2

Provide additional time for job candidates with dyslexia to complete written tasks.

Example 3

Consider the physical features of where a meeting is due to take place i.e. stairs, ramps, access etc. to ensure that disabled people are not put at a disadvantage.

Failure to Make Reasonable Adjustments

2.11 This is where a physical feature or a provision, criterion or practice puts a disabled person at a substantial disadvantage compared with someone who does not have that protected characteristic and the employer has failed to make reasonable adjustments to enable the disabled person to overcome the disadvantage.

2.12 Employees should not discriminate against or harass a member of the public in the provision of services or goods. It is unlawful to fail to make reasonable adjustments to overcome barriers to using services caused by disability. The duty to make reasonable adjustments includes the removal, adaptation or alteration of physical features, if the physical features make it impossible or unreasonably difficult for disabled people to make use of services. In addition, service providers have an obligation to think ahead and address any barriers that may impede disabled people from accessing a service.

2.13 Please see Guide for Managers – The Duty to Make Reasonable Adjustments.

Disability Confident

2.14 Disability Confident is a scheme that is designed to help employers recruit and retain disabled people and people with health conditions for their skills and talent.

2.15 The Department for Work and Pensions Disability Confident scheme replaces the previous 'Two Ticks Positive about Disabled People' scheme. The scheme aims to help employers make the most of the opportunities provided by employing disabled people.

There are 3 levels to the Disability Confident Scheme:

- Level 1 – Committed
- Level 2 – Employer
- Level 3 – Leader

2.16 Employers who sign up to the Disability Confident scheme agree to take action on the following commitments:

- Ensure the recruitment process is inclusive and accessible
- Communicate and promote vacancies
- Offer an interview to disabled people if they meet the minimum criteria for the post
- Anticipate and provide reasonable adjustments as required when disabled employees are applying for and doing their jobs
- Support any existing employee who acquires a disability or long term health condition, enabling them to stay in work

2.17 The Council has committed to the Disability Confident Scheme and has also been accredited as a Disability Confident Committed employer (i.e. level 1 of the scheme).

2.18 As a Disability Confident employer, we recognise the rights of disabled staff to be considered fully and fairly in all aspects of employment.

2.19 Further information about the Disability Confident scheme can be found on the GOV.UK website.

3. Gender Reassignment

3.1 This is defined for the purpose of the Act as where a person has proposed, started or completed a process to change his or her sex. A transsexual person has the protected characteristic of gender reassignment and it is unlawful to discriminate against such a person in work and in the provision of goods, facilities, services and public functions.

3.2 A woman making the transition to being a man and a man making the transition to being a woman both share the characteristic of gender reassignment, as does a person who has only just started out on the process of changing his or her sex and a person who has completed the process.

3.4 It is discriminatory to treat transsexual people less favourably for being absent from work because they propose to undergo, are undergoing or have undergone gender reassignment than they would be treated if they were absent because they were ill or injured.

Example 1

A transsexual employee takes time off to attend a Gender Identity Clinic as part of the gender reassignment process. His employer cannot treat him less favourably than he would treat him for absence due to illness or injury, for example by paying him less than he would have received if he was off sick.

Example 2

A transsexual employee tells her boss that she intends to undergo gender reassignment and asks if she can take an afternoon off as annual leave to attend counselling. The request is refused without any reasons given even though there are enough work colleagues in the team available that day to cover her absence. This could amount to gender reassignment discrimination.

4. Marriage And Civil Partnership

4.1 The Act protects employees who are married or in a civil partnership against discrimination. Single people are not protected.

4.2 A heterosexual man and a heterosexual woman who are married to each other and a man and another man who are married to each other/civil partners and a woman and another woman who are married to each other/civil partners all share the protected characteristic of marriage and civil partnership.

- People who are not married or civil partners do not have this protected characteristic.
- A person who is engaged to be married is not married and therefore does not have this protected characteristic.
- A divorcee or a person whose civil partnership has been dissolved is not married or in a civil partnership and therefore does not have this protected characteristic.

4.3 It is unlawful to:

- Dismiss a worker after he or she gets married or enters into a civil partnership.
- To not offer a job to an applicant who has all the relevant experience and skills because she has just got married and the employer thinks she will be focused on starting a family, not her career.
- As a line manager and colleague, ignore a worker and leave her out of work-related social activities resulting in an official complaint that her supervisor is discriminating against her because she is married.

Example

An example of direct discrimination is where a married worker is not promoted, instead the job is offered to a single person because the new role will require socialising and networking which the employer believes a single person would have the time to do.

5. Pregnancy And Maternity

5.1 A woman is protected against discrimination on the grounds of pregnancy and maternity in her employment during the period of her pregnancy and any statutory maternity leave to which she is entitled. This is now separate from protection on grounds of sex, which is not available to a woman during pregnancy and maternity.

5.2 It is unlawful to take into account an employee's period of absence due to pregnancy related illness when taking a decision about her employment.

Example

Linda is pregnant and works at a call centre. The manager knows Linda is pregnant but still disciplines her for taking too many toilet breaks as the manager would for any other member of staff. This is discrimination because of pregnancy and maternity as this characteristic doesn't require the normal comparison of treatment with other employees.

6.1 The Act says you must not be discriminated against because of your race. This section replaces similar provisions in the Race Relations Act 1976.

6.2 For the purposes of the Act 'race' is defined as:

- **Colour:** for example includes being black or white
- **Nationality** (including citizenship) for example includes being a British, Australian or Swiss citizen
- **Ethnic or national origins:** for example includes being from a Roma background or of Chinese heritage.

6.3 A racial group could be 'black Britons' which would encompass those people who are both black and who are British citizens.

Race also covers ethnic and racial groups. This means a group of people who all share the same protected characteristic of ethnicity or race.

6.4 A racial group can be made up of two or more distinct racial groups, for example black Britons, British Asians, British Sikhs, British Jews, Romany Gypsies and Irish Travellers.

Example

An example of indirect discrimination is if a hairdresser refuses to employ stylists that cover their own hair. This would put any Muslim Women or Sikh men who cover their hair at a disadvantage when applying for a position as a stylist. Or, John is not given a position because he is British but born to Jamaican partners, i.e. because of their Jamaican national origins.

7. Religion or Belief

7.1 Religion means any religion and a reference to religion also includes a reference to a lack of religion.

- **A religion** must have a clear structure and belief system. Denominations or sects within a religion can be considered to be a religion or belief, such as Protestants and Catholics within Christianity.
- **A belief** means any religious or philosophical belief and a reference to belief includes a reference to a lack of belief
- **A “philosophical belief”** must
 - Be genuinely held;
 - Be a belief and not an opinion or viewpoint based on the present state of information available;
 - Be a weighty and substantial aspect of human life and behaviour;
 - Attain a certain level of cogency, seriousness, cohesion and importance;
 - Be worthy of respect in a democratic society, compatible with human dignity and not conflict with the fundamental rights of others.

7.2 Any cult involved in illegal activities is not covered. Beliefs such as humanism and atheism would be covered.

7.3 Discrimination because of religion or belief can occur even where both the discriminator and recipient are of the same religion or belief.

7.4 People who are of the same religion or belief share the protected characteristic of religion or belief.

7.5 This section replaces similar provisions in the Employment Equality (Religion or Belief) Regulations 2003 and the Equality Act 2006.

8. Sex

- Formally defined as Gender, both men and women are protected under the Act.
- A reference to a person who has a particular protected characteristic is a reference to a man or to a woman
- A reference to persons who share a protected characteristic is a reference to persons of the same sex
- Men share the sex characteristic with other men and women with other women.

9. Sexual Orientation

9.1 The Act protects bisexual, gay, heterosexual and lesbian people and is defined as a person’s sexual orientation towards:

- people of the same sex as him or her (in other words the person is a gay man or a lesbian)
- people of the opposite sex from him or her (the person is heterosexual)
- people of both sexes (the person is bisexual).

9.2 People sharing a sexual orientation mean that they are of the same sexual orientation and therefore share the characteristic of sexual orientation.

9.3 The definition is designed to replicate the effect of similar provisions in the Employment Equality (Sexual Orientation) Regulations 2003 and the Equality Act 2006.

10. Caste

10.1 The Government Equalities Office consultation, Caste in Great Britain and Quality Law, on how to address caste discrimination closed on 18 September 2017.

10.2 This consultation explores how to ensure that there is appropriate and proportionate legal protection against unlawful caste discrimination with due consideration given to how such protection would be implemented in practice. Caste is not currently included within the Equality Act 2010.

Types of Discrimination

11. Direct Discrimination

11.1 This is where a person is treated less favourably than another because of a protected characteristic they have or are thought to have (see perception discrimination below), or because they associate with someone who has a protected characteristic (see discrimination by association below).

11.2 In limited circumstances, employers can directly discriminate against an individual for a reason related to any of the protected characteristics where there is an occupational requirement. The occupational requirement must be crucial to the post and a proportionate means of achieving a legitimate aim.

Example 1

An employer refuses to employ a woman because she is pregnant. This is direct discrimination on grounds of pregnancy.

Example 2

Paul, a senior manager, turns down Angela's application for promotion to a supervisor position. Angela, who is a lesbian, learns that Paul did this because he believes the team that she applied to manage are homophobic. Paul thought that Angela's sexual orientation would prevent her from gaining the team's respect and managing them effectively. This is direct sexual orientation discrimination against Angela.

12. Indirect Discrimination

12.1 This is where a provision, criterion or practice is applied that is discriminatory in relation to individuals who have a relevant protected characteristic (although it does not explicitly include pregnancy and maternity, which is covered by indirect sex discrimination) such that it would be to the detriment of people who share that protected characteristic compared with people who do not, and it cannot be shown to be a proportionate means of achieving a legitimate aim.

Being proportionate means being fair and reasonable, including showing that ‘less discriminatory’ alternatives have been looked at prior to any decision made. Indirect discrimination can be justified if the employer can show that they acted reasonably, i.e. that it is ‘a proportionate means of achieving a legitimate aim’. A legitimate aim might be any lawful decision the employer makes in running the business, but if there is a discriminatory effect, the sole aim of reducing costs is likely to be unlawful.

Example

A small finance company needs its staff to work late on a Friday afternoon to analyse stock prices in the American finance market. The figures arrive late on Friday because of the global time differences. During the winter some staff would like to be released early on Friday afternoon in order to be home before sunset – a requirement of their religion. They propose to make the time up later during the remainder of the week.

The company is not able to agree to this request because the American figures are necessary to the business, they need to be worked on immediately and the company is too small to have anyone else able to do the work.

The requirement to work on Friday afternoon is not unlawful indirect discrimination as it meets a legitimate business aim and there is no alternative means available.

13. Harassment

13.1 This is where there is unwanted conduct, related to one of the protected characteristics (other than marriage and civil partnership, and pregnancy and maternity) that has the purpose or effect of violating a person's dignity; or creating an intimidating, hostile, degrading, humiliating or offensive environment. It does not matter whether or not this effect was intended by the person responsible for the conduct.

Example

Example 1

Paul is disabled and is claiming harassment against his line manager after she frequently teased and humiliated him about his disability. Richard shares an office with Paul and he too is claiming harassment, even though he is not disabled, as the manager's behaviour has also created an offensive environment for him.

Example 2

Steve is continually being called gay and other related names by a group of employees at his work. Homophobic comments have been posted on the staff noticeboard about him by people from this group. Steve was recently physically pushed to the floor by one member of the group but is too scared to take action. Steve is not gay but heterosexual; furthermore the group know he isn't gay. This is harassment because of sexual orientation.

Harassment applies to all protected characteristics except for pregnancy and maternity and marriage and civil partnership. Employees will be able to complain of behaviour that they find offensive even if it is not directed at them, and the complainant need not possess the relevant characteristic themselves.

13.2 Employees are also protected from harassment because of perception and association.

14. Bullying

14.1 Bullying is offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means which undermine, humiliate, denigrate or injure the individual or a group of employees. This kind of conduct is usually sustained.

Example

Examples of bullying are:

- shouting at an employee in front of others
- sarcastic comments deliberately aimed at the individual
- ridiculing someone or deliberately setting them up to fail
- overbearing supervision or other misuse of power or position
- making threats about job security without foundation
- undermining a competent worker by overloading and constant criticism

14.2 For further information on bullying and harassment please see the Council's Grievance Policy.

15. Associative Discrimination

15.1 This is where an individual is directly discriminated against or harassed for association with another individual who has a protected characteristic (although it does not cover harassment because of marriage and civil partnership, and pregnancy and maternity).

Example

June works as a project manager and is looking forward to a promised promotion. However, after she tells her boss that her mother, who lives at home, has had a stroke, the promotion is withdrawn. This may be discrimination against June because of her association with a disabled person.

16. Perceptive Discrimination

16.1 This is where an individual is directly discriminated against or harassed based on a perception that he/she has a particular protected characteristic when he/she does not, in fact, have that protected characteristic (other than marriage and civil partnership, and pregnancy and maternity).

Example

Jim is 45 but looks much younger. Many people assume that he is in his mid-20's. He is not allowed to represent his company at an international meeting because the Managing Director thinks that he is too young. Jim has been discriminated against on the perception of a protected characteristic of age.

17. Victimisation

17.1 This occurs where an employee is subjected to a detriment, such as being denied a training opportunity or a promotion because they made or supported a complaint or raised a grievance, or because they are suspected by the employer of doing so. However, an employee is not protected from victimisation if they acted maliciously or made or supported an untrue complaint.

Example 1

A blind employee raises a grievance that the employer is not complying with its duty to make reasonable adjustments, and is then systematically excluded from all meetings; such behaviour could amount to victimisation.

Example 2

Anne makes a formal complaint against her manager because she feels that she has been discriminated against because of marriage. Although the complaint is resolved through the organisation's grievance procedures, Anne is subsequently ostracised by her colleagues, including her manager. She could claim victimisation.

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REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

REVIEW OF PERFORMANCE 2017 / 18

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to supply Members with details of performance against targets set for 2017 / 18 and to ensure that progress is being achieved towards the corporate goals and the objectives detailed in the Corporate Plan 2015-19 adopted by Council in February 2015 (Minute No. 828 refers) with the 2017 / 18 annual update approved by the Council in April 2017.
- 1.2 Where performance or progress is behind schedule or at risk, the reasons why need to be fully understood and decisions taken on what, if any, action is required to bring performance back on track.
- 1.3 Quarterly reviews of performance are undertaken by the Overview and Scrutiny Committee and the position as at the year-end was reviewed at the meeting on 6 June. An annual performance report will also be submitted to the Council on 28 June.
- 1.4 All of the performance information contained within this report is recorded on the Council's Performance and Risk Management system (TEN) to which all Members have access.

2. RECOMMENDATION

Members review and comment on the information as set out in this report and **APPENDIX 1**.

3. SUMMARY OF KEY ISSUES

- 3.1 The format of the half yearly performance reports to this Committee is on an "exception" basis i.e. only those activities and indicators that are behind schedule, at risk or where targets have not been achieved are included. This will ensure the focus is on those areas requiring attention and assisting Members to challenge performance or allocation of resources where the Council's corporate goals may not be achieved.
- 3.2 **APPENDIX 1** to this report details for each of the corporate goals:
 - The key corporate activities which are assessed as being "behind schedule" or "at risk of not being achieved"

- Indicators which have not achieved the end of year target.

3.1.1 The activities / indicators aligned with this Committee have been marked  to provide easy identification by Members.

3.3 There have been successes and achievements in 2017 / 18, including:

- The annual total days lost per Full Time Equivalent (FTE) for 2017 / 18 is 10.86 compared to 12.4 for 2016 / 17 - a reduction of 1.54 total days lost per FTE - and the lowest since 2013 / 14. There has been a reduction in long term absence (from 7.08 days per FTE in 2016 / 17 to 5.63 days in 2017 / 18) – this can be attributed in part to the revised Attendance Management Policy and HR and management implementing interventions, supported by Occupational Health that facilitate a return to work for staff.

There has been positive progress in improving this year's attendance figures. However, achieving change following policy implementation does take time. Continuing to manage attendance as a priority coupled with greater manager compliance should further improve overall figures over the coming year.

- All Staff and Members email boxes have now been migrated to Office 365 replacing Exchange 2007, Good for Enterprise, Enterprise Vault and email filtering; it has also brought web access to email, file storage and online Office.

The licensing from the project allows us to securely manage council data on remote devices and will enable us to rollout Office 2016 and Windows 10 in future. Staff and Members can also edit and share documents on any device using either the install apps or web browser versions of Office. The project has laid the foundations for future adoption projects including Skype for Business, Yammer, Microsoft Teams, SharePoint online and Microsoft Azure (hosted server infrastructure).

- The Council Tax collection rate for 2017 / 18 has increased slightly to 98.45% (from 98.3% in 2016 / 17) - 0.05% higher than the level last achieved in 2012 / 13 before the Local Council Tax Support scheme was implemented (requiring all working age residents receiving Council Tax benefit to pay a minimum of 20% towards their Council Tax). This has been achieved in a year when residents have been impacted by further welfare reforms.
- Maldon District Council won two awards at the 2018 GeoPlace Exemplar Awards - Best Address Data in East of England and a Gold Performance Award for Address Data. These awards celebrate excellence in address and street information enabled service delivery across local government, police, fire and national parks. They recognise the vital role address and street information professionals play in local service delivery.
- Additional income has been achieved through the ongoing review of the rent and configuration of Council owned properties

3.2 Customer Feedback Received

3.2.1 16 complaints and 4 compliments about services that report to this Committee were received between 1 April 2017 and 31 March 2018:

Service Area	Total complaints 2015 / 16	Total complaints 2016 / 17	Total complaints 2017 / 18	Total compliments 2015 / 16	Total compliments 2016 / 17	Total compliments 2017 / 18
Legal and Democratic Services	8	3	3	0	0	1
IT Services	0	1	1	0	0	0
Facilities	0	0	0	1	1	1
Revenues and Benefits	14	10	14	5	5	2
Director of Resources	0	0	1	0	1	0
People, Performance and Policy	0	0	0	0	5	0
Total	22	14	19	6	12	4

3.2.2 All complaints received are investigated and action taken to improve service delivery where learnings are identified.

4. CONCLUSION

4.1 Good progress has been made on a number of activities which will contribute to the Council's corporate goals and objectives. However, there are key corporate activities at risk or behind schedule and performance indicators which did not achieve the end of year target. The reasons why need to be fully understood and decisions taken on what, if any, action is required to bring performance back on track.

5. IMPACT ON CORPORATE GOALS

5.1 The Council stated its corporate goals and objectives in the Corporate Plan for 2015-19.

5.2 In turn, the services agreed actions (Key Corporate Activities) that they would take forward in 2017 / 18 to contribute to the achievement of these objectives. Performance indicators and measures were established to monitor the impact of these actions and to provide evidence of achievements.

5.3 To ensure that Maldon District Council (MDC) progresses towards or achieves the goals stated in the Corporate Plan, it is important that performance is monitored and managed against targets and milestones.

- 5.4 It is also important as the Council is accountable to the community that it is able to demonstrate it is monitoring and managing performance effectively.

6. IMPLICATIONS

- (i) **Impact on Customers** – Performance Management is about agreeing and achieving objectives and priorities, monitoring our performance against agreed targets and timescales, identifying opportunities for improvement, making necessary changes and ultimately delivering quality public services.
- (ii) **Impact on Equalities** – For the Council “Equalities” means understanding our staff and customers and making sure that our policies and services are designed to meet their needs and implemented appropriately.

MDC is committed to providing equal opportunity of access to services, and level of service provided, and to work towards developing communities that are free from discrimination.

- (iii) **Impact on Risk** – If performance is not managed effectively by the Council at both Committee and management level, there is a risk that the Council will not achieve its stated priorities and outcomes.
- (iv) **Impact on Resources (financial and human)** – If action is needed to bring key activities or indicators back on track to meet the targets set, a reallocation of resources may be required to ensure that objectives and priorities are achieved.
- (v) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Emma Foy, Director of Resources, (01621 875762) or Julia Bawden, Performance and Risk Officer, (Tel: 01621 876223).

Review of Performance 2017-18



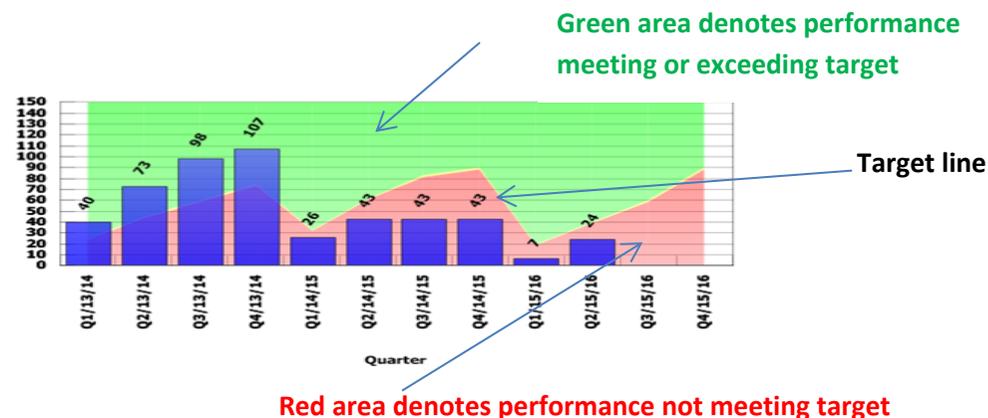
FINANCE & CORPORATE SERVICES COMMITTEE

REVIEW OF PERFORMANCE 2017-18

The performance reports are produced on an “exception” basis; full details will only be included for those activities and indicators which are behind schedule, at risk or not on target

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Example Performance Indicator Graph



Status Definitions for Key Corporate Activities

At Risk	There are issues which could impact the completion/ achievement of the Key Corporate Activity in the future
Behind Schedule	Target date for completion of the Key Corporate Activity , or milestones upon which activity depends, have not been met
On Track	Work progressing satisfactorily, milestones upon which the activity depends are being met and overall target for completion should be achieved
Completed	Key Corporate Activity completed – no further work required

Review of Performance 2017-18

Corporate Goal - Strengthening communities to be safe, active and healthy

Key Corporate Activities contributing to this goal - 4			
At Risk	Behind Schedule	On Track	Completed
		3	1

Key Corporate Activities designated as "At Risk" or "Behind Schedule"	Target Date	Status	Comments
None			

Review of Performance 2017-18

Indicators

For comparison purposes, where available, the figures for the previous two years are provided.

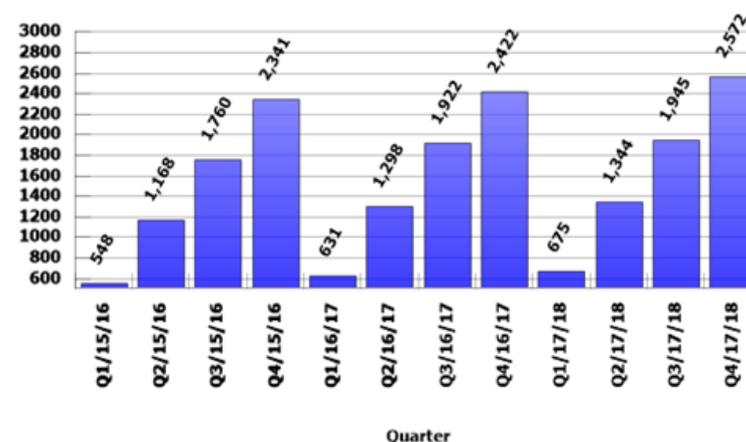
Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved
Level of reported crime <i>Low performance is good</i>	2,341 Incidents of all crime	2,422 Incidents of all crime	Fewer reported incidents than in previous year	2,572 Incidents of all crime	No
	1,087 Anti-Social Behaviour (ASB) incidents	1,000 ASB incidents		987 ASB incidents	Yes
	Sanctioned detection rate 12.5%	Sanctioned detection rate 12.5%	No target	Sanctioned detection rate 9.5%	N/A

Comment on current performance

Whilst Maldon District has seen an increase in crime it has been much lower than the County average increase of 13% and those figures highlighted in the National Crime Survey for England and Wales.

Some of the increases can be seen in a positive light, particularly those around domestic abuse and hate crime whereby people feel more confident to report crimes and better mechanisms are in place for doing so. However, violence with injury and violence without injury continue to be a concern although the latter offence does include crime types which were previously unrecorded such as offensive social media posts and malicious texts.

There is a national concern about the criminal and sexual exploitation of young people and the violence associated with organised crime and gangs. There are early signs of this type of activity in Maldon, but not as prevalent in the more urbanised districts of Essex.



Review of Performance 2017-18

Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved
<p>Offences which have a real impact on the victim such as burglary and theft continue to be addressed by the Partnership.</p> <p>Overview and Scrutiny Committee (sitting as the Crime and Disorder Committee) provides an opportunity for Members to scrutinise the work of the Community Safety Partnership and Essex Police. Officers have arranged additional presentations at these Committee meetings (Nov/March) to address concerns in relation to the above offences by having Detective Inspector Rob Kirby speak on improved performance on burglary detection and Chief Inspector Ian Gennery present on the new Essex Police Rural Crime Strategy.</p>					

Review of Performance 2017-18

Corporate Goal - Protecting and shaping the District

Key Corporate Activities contributing to this goal – 12				
Activity not being taken forward	At Risk	Behind Schedule	On Track	Completed
1	1	3	5	2

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Key Corporate Activities designated as “At Risk” or “Behind Schedule”	Target Date	Status	Comments
Work in partnership to deliver/ensure management/maintenance of strategic infrastructure as per LDP	Ongoing	South Maldon Garden Suburb On track	North Heybridge Garden Suburb - work is on-going to facilitate the delivery of a flood alleviation scheme. (See also update for Key Corporate Activities (KCA) re flood relief projects below).
		North Heybridge Garden Suburb Behind schedule	Maldon District Council (MDC) is working with the developer on a revised scheme. Any revised scheme must continue to provide the same level of infrastructure as per the Local Development Plan and the Infrastructure Delivery Plan and adequate flood and drainage mitigation measures.
		Rest of the District On track	Developers’ contributions have been received for infrastructure from the Persimmon scheme to the west of Broad Street Green Road. Work has started on the Bellway site, in Holloway Road, which is also subject to a S106 agreement.
Establish management plans with existing and new community groups regarding the management and maintenance of open spaces For 2017 / 18: - Riverside Park, Burnham-on-Crouch - Cemeteries	Ongoing	Behind schedule	Operational priorities have meant that it has not been possible to conclude the first drafts of the management plans for Riverside Park and Cemeteries. A revised timescale for this work has been agreed with the Director of Customers and Community and it intended that drafts will be considered by Community Services by the July meeting.

Review of Performance 2017-18

Key Corporate Activities designated as “At Risk” or “Behind Schedule”	Target Date	Status	Comments
<p>Work with partners to seek funding/bring forward flood relief projects for identified surface and coastal flooding risk areas in the District</p>	<p>March 2018</p>	<p>At risk North Heybridge Flood Alleviation Scheme (FAS)</p>	<p>North Heybridge Flood Alleviation Scheme (FAS) A review was undertaken by RPA and a draft report produced in February 2018 identifying a benefit cost ratio above 1. The document was subject to technical scrutiny and the final report has now been received and is currently being reviewed.</p>
		<p>Behind schedule CDA 2 Scheme Brickhouse Farm</p>	<p>However, the developer has since confirmed they are withdrawing the FAS as part of their scheme. Discussions are now underway with the relevant partners to seek to continue working together to review alternative options to improve the existing drainage provision in the area.</p>
		<p>On track CDA1 West Maldon Limebrook Way</p>	<p>In the event that the current funding opportunity is not forthcoming through Government grant, the Council is continuing to work with partners on an alternative mechanism for receiving funding towards flood alleviation in Heybridge.</p>
		<p>On track CDA3 Causeway and Masterplan Area</p>	<p>CDA2 – Brickhouse Farm This scheme has been deferred to 18 / 19 Capital works.</p> <p>Essex County Council (ECC) has completed the further assessment and provided another drainage option which will enable the allotments to remain at the location. However, this will rely on either ECC Highways adopting a new drainage system or MDC completing a Section 50 License and taking long term maintenance responsibility for the new highway asset.</p> <p>A report will be submitted to Members. As a result this is considered to be "behind schedule" albeit this is outside of our control.</p>

Review of Performance 2017-18

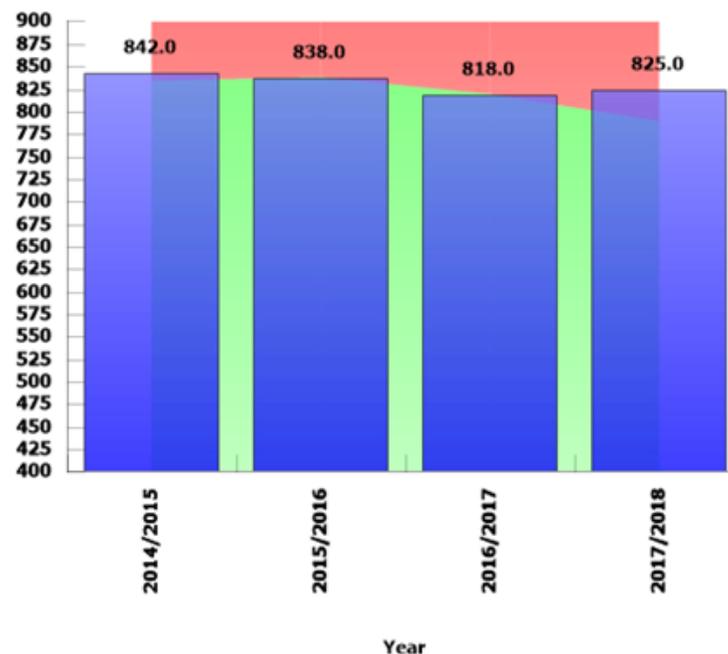
Key Corporate Activities designated as “At Risk” or “Behind Schedule”	Target Date	Status	Comments
Work with partners to deliver the new Maldon Health Hub	Ongoing	Activity not being taken forward	Following debate at the Council meeting on 8th February 2018, it was agreed that MDC can no longer commit resources and officer time to the project. The Council will monitor future progress and at such time as the NHS confirms their commitment to a clear outcome, Members will be able to decide on the scale of its involvement.

Review of Performance 2017-18

Indicators

For comparison purposes, where available, the figures for the previous two years are provided.

Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved
<p>Total household waste arising per household</p> <p>Low performance is good</p> <p><u>Comment on current performance</u></p> <p>For 2018/19 there has been an increase in the tonnage for recycling, food and garden waste while there has been a decrease in the total refuse collected.</p> <p>The increase in the total waste is not something that the Council can control or affect. The 2018/19 target agreed for this indicator is 750 kgs. which may need to be reviewed during the year in the light of data available.</p>	838 kgs. per household	818 kgs. per household	790 kgs. per household	825 kgs. per household (provisional)	No



Review of Performance 2017-18

Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved
Average number of justified missed collections per collection day Low performance is good	New indicator 17/18	New indicator 17/18	<10 per collection day	10.22	No
<u>Comment on current performance</u> Performance is slightly over target due to the disruption as a result of the snow and catch up period during Q4. If the post snow disruption figure is excluded, the average figure for the year would be 9.7 and within target.					
Total number of open market homes delivered High performance is good	248	243	180	Figures available in September 2018	
Total number of affordable homes delivered (through legal agreements and other means) High performance is good	45	21	130	Figures available in September 2018	

Review of Performance 2017-18

Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved
Total number of long term (i.e. longer than 6 months) empty homes in the District	195 as at 31/03/16 (of which 41 empty in excess of 5 years)	219 as at 31/03/17 (of which 39 have been empty in excess of 5 years)	194 as at 31/3/18 (of which 29 have been empty in excess of 5 years)	N/A	N/A
Number of long empty homes returned to use High performance is good	98	78	80	63	No

Review of Performance 2017-18

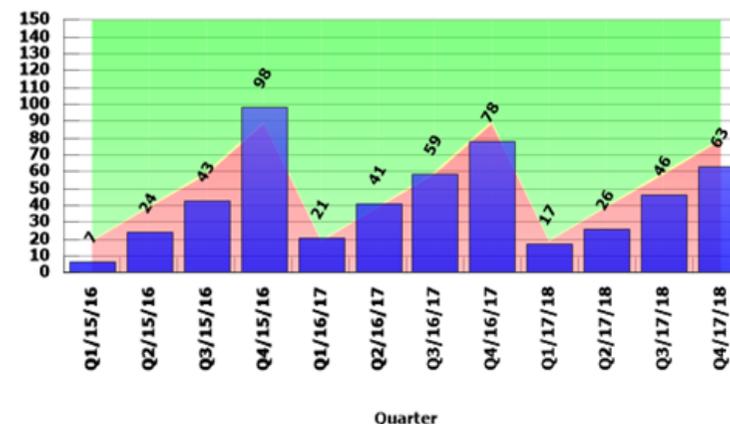
Comment on current performance

The Council has made good progress in tackling empty homes over the last decade.

Officers have looked at recent performance and reviewed recent studies and good practice to see if there is more that could be done. Experience of the Council reflected by regional trends is that the number of empty properties has reduced throughout the East of England with the exception of some local ‘hot spots’. In comparison with other areas, the Maldon District has below average numbers and percentages of empty and long-term empty homes according to the Empty Homes Agencies report from 2016/17. Although the number of homes being brought back into use has declined from year to year recently, looking at this current year, so too has the number of empty properties. It is therefore misleading to see a reduction in the number of homes being brought back into use as the complete picture of activity and level of empty homes in the District.

Officers will continue to work with owners of homes that remain empty beyond six months; targeting advice and support to those where they remain unoccupied beyond a year as in practice we have found that this is the sector where early intervention can be most effective. Preparing to take enforcement action against those buildings that have been empty for the longest periods would also send a clear signal to all owners that the Council is prepared to take action should owners fail to take responsibility for their property in the longer term. This may help encourage some other owners to take more seriously the Council’s requests to cooperate in making best use of existing properties and accept offers of help and advice.

For 2018/19, the method of reporting will change to the number of long term empty properties as a percentage of total stock alongside the national/regional averages, giving a better indication of performance.



Review of Performance 2017-18

Corporate Goal - CREATING OPPORTUNITIES FOR ECONOMIC GROWTH AND PROSPERITY

Key Corporate Activities contributing to this goal - 12				
Not started	At Risk	Behind Schedule	On Track	Completed
		2	6	4

Key Corporate Activities designated as "At Risk" or "Behind Schedule"	Target Date	Status	Comments
Develop and implement a strategy to meet the skills need within the District	March 2018	Behind schedule	The first draft of the Maldon District Skills Strategy has been prepared and input from external partners such as the Essex Skills Board (ESB) and Haven Gateway Partnership is being sought. Once this is received a final draft will be prepared and shared.
Promote and support improved Broadband connectivity	Ongoing	Behind schedule	<p>A Superfast Essex Steering Board meeting was held on in March 2018. The focus is now moving away from delivery towards realising the benefits of the superfast infrastructure being installed. MDC has committed to provide £45,000, paid over three years of the duration of Phase 2a, as part of the Essex wide programme to meeting the requirements of what it originally set out to achieve: reaching 95% of Essex addresses with superfast broadband (Phase 2). Phase 2a was initiated in May 2017 but to date the funds have not been disbursed as there is a lack of evidence that the objectives of the programme are being met in the Maldon District.</p> <p>Some additional work is being conducted to gather statistical evidence in order to test whether broadband speeds experienced by businesses are meeting the objectives of the programme and whether this is due to inadequate implementation or other factors.</p>

Review of Performance 2017-18

Corporate Goal - Delivering good quality, cost effective and valued services

Key Corporate Activities contributing to this goal - 10				
Activity not being taken forward	At Risk	Behind Schedule	On Track	Completed
2		4	4	

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Key Corporate Activities designated as "At Risk" or "Behind Schedule"	Target Date	Status	Comments
<p>➔ Implement Workforce Development Plan projects for 17/18:</p> <p>a) Monitor / review use of the Performance Review System and transfer it onto Human Resources Information System (HRIS)</p> <p>b) Develop a recruitment strategy</p> <p>c) Introduce a Total Reward Policy</p> <p>d) Conduct a Council-wide skills audit</p>	<p>March 2018 (skills audit 18/19)</p>	<p>Performance Review/HRIS Activity not being taken forward</p>	<p>Monitor / review use of the Performance Review System and transfer it onto Human Resources Information System (HRIS) - At this point the Council is still using the Word document based appraisal system until the costs and benefits of transferring the Performance Review system have been ascertained.</p>
		<p>Recruitment Strategy Behind schedule</p>	<p>Recruitment Strategy - The Recruitment Strategy has been drafted and will be presented to Corporate Leadership Team (CLT) in Q1 2018/19.</p>
		<p>Total Reward Policy Behind schedule</p>	<p>Total Reward Policy - The first draft has been presented to CLT and will be re-submitted in Q1 2018/19 incorporating CLT feedback.</p>
		<p>Skills Audit Activity not being taken forward</p>	<p>Conduct a Council-wide skills audit - the methodology and documentation for the Skills Audit was presented to CLT in January 2018. At the current time this is being held pending a decision to be taken on Organisational Change by Members in June 2018 which will assist in determining the skills that the Council needs in the medium term.</p>

Review of Performance 2017-18

Key Corporate Activities designated as “At Risk” or “Behind Schedule”	Target Date	Status	Comments
<p>➔ Agree the vision for the Council’s Transformation Strategy and a programme of transformation projects for implementation</p>	<p>March 2018</p>	<p>Behind schedule</p>	<p>Ignite are currently working on a whole Council Transformation project to be presented to Members in May 2018 for consideration.</p>
<p>➔ Develop and implement an income generation programme</p>	<p>Ongoing</p>	<p>Behind schedule</p>	<p>Since March 2018 officers have presented a list of pipeline projects for income generation to the Corporate Projects Working Group.</p> <p>All projects have been worked up to Project Initiation Document level and financial viability assessment in the main has been completed.</p> <p>The projects include:</p> <ol style="list-style-type: none"> 1. Leisure projects(social infrastructure) 2. Council Offices 3. Employment Land 4. Housing Development.

Review of Performance 2017-18

Indicators

For comparison purposes, where available, the figures for the two previous years are provided.

Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved
% of major planning applications acknowledged within 10 working days High performance is good	New indicator 2016/17	89.47%	95%	91.23%	No
% of minor planning applications acknowledged within 5 working days High performance is good	New indicator 2016/17	54.57%	95%	75%	No
% of other planning applications acknowledged within 5 working days High performance is good	New indicator 2016/17	55.75%	95%	70.76 %	No
Comment on current performance It was agreed due to a lack of funding that the Administration Team will not be undertaking validation of planning applications. Whilst a number of internal improvements have been undertaken it is considered that the target will not be met within the current service provision.					

Review of Performance 2017-18

% of major planning applications acknowledged within 10 working days		% of minor planning applications acknowledged within 5 working days		% of major planning applications acknowledged within 10 working days																																																							
<table border="1"> <caption>% of major planning applications acknowledged within 10 working days</caption> <thead> <tr> <th>Quarter</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>Q1/16/17</td><td>87.50%</td></tr> <tr><td>Q2/16/17</td><td>93.30%</td></tr> <tr><td>Q3/16/17</td><td>88.00%</td></tr> <tr><td>Q4/16/17</td><td>89.47%</td></tr> <tr><td>Q1/17/18</td><td>86.67%</td></tr> <tr><td>Q2/17/18</td><td>84.62%</td></tr> <tr><td>Q3/17/18</td><td>88.66%</td></tr> <tr><td>Q4/17/18</td><td>91.23%</td></tr> </tbody> </table>		Quarter	Percentage	Q1/16/17	87.50%	Q2/16/17	93.30%	Q3/16/17	88.00%	Q4/16/17	89.47%	Q1/17/18	86.67%	Q2/17/18	84.62%	Q3/17/18	88.66%	Q4/17/18	91.23%	<table border="1"> <caption>% of minor planning applications acknowledged within 5 working days</caption> <thead> <tr> <th>Quarter</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>Q1/16/17</td><td>31.40%</td></tr> <tr><td>Q2/16/17</td><td>36.63%</td></tr> <tr><td>Q3/16/17</td><td>44.19%</td></tr> <tr><td>Q4/16/17</td><td>54.57%</td></tr> <tr><td>Q1/17/18</td><td>60.36%</td></tr> <tr><td>Q2/17/18</td><td>64.70%</td></tr> <tr><td>Q3/17/18</td><td>69.88%</td></tr> <tr><td>Q4/17/18</td><td>75.00%</td></tr> </tbody> </table>		Quarter	Percentage	Q1/16/17	31.40%	Q2/16/17	36.63%	Q3/16/17	44.19%	Q4/16/17	54.57%	Q1/17/18	60.36%	Q2/17/18	64.70%	Q3/17/18	69.88%	Q4/17/18	75.00%	<table border="1"> <caption>% of major planning applications acknowledged within 10 working days</caption> <thead> <tr> <th>Quarter</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>Q1/16/17</td><td>40.00%</td></tr> <tr><td>Q2/16/17</td><td>43.91%</td></tr> <tr><td>Q3/16/17</td><td>49.19%</td></tr> <tr><td>Q4/16/17</td><td>55.75%</td></tr> <tr><td>Q1/17/18</td><td>64.34%</td></tr> <tr><td>Q2/17/18</td><td>63.91%</td></tr> <tr><td>Q3/17/18</td><td>65.53%</td></tr> <tr><td>Q4/17/18</td><td>70.76%</td></tr> </tbody> </table>		Quarter	Percentage	Q1/16/17	40.00%	Q2/16/17	43.91%	Q3/16/17	49.19%	Q4/16/17	55.75%	Q1/17/18	64.34%	Q2/17/18	63.91%	Q3/17/18	65.53%	Q4/17/18	70.76%
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Indicator	15/16 Actual	16/17 Actual	17/18 Target	17/18 Actual	Annual target achieved																																																						
➔ Average number of days lost per (Full Time Equivalent) FTE due to sickness Low performance is good	12.42 days • 4.54 days short term absence • 7.88 days long term absence	12.4 days • 5.32 days short term absence • 7.08 days long term absence	8 days	10.86 days • 5.23 days short term absence • 5.63 days long term absence	No																																																						

Review of Performance 2017-18

Comment on current performance

The Q4 overall sickness figures decreased by 20% to 498.86 total FTE days lost or 2.47 days total days lost per FTE (1.49 days per FTE short term absence and 0.98 days per FTE long term absence) compared to Q3. Short term sickness decreased by 7% from Q3 despite the high number of staff being off sick due to cold, flu and infectious diseases. The figures with regard to long term absence showed a notable decrease of 34% from Q3. Further information on this topic will be provided to Overview and Scrutiny Committee in June 2018.

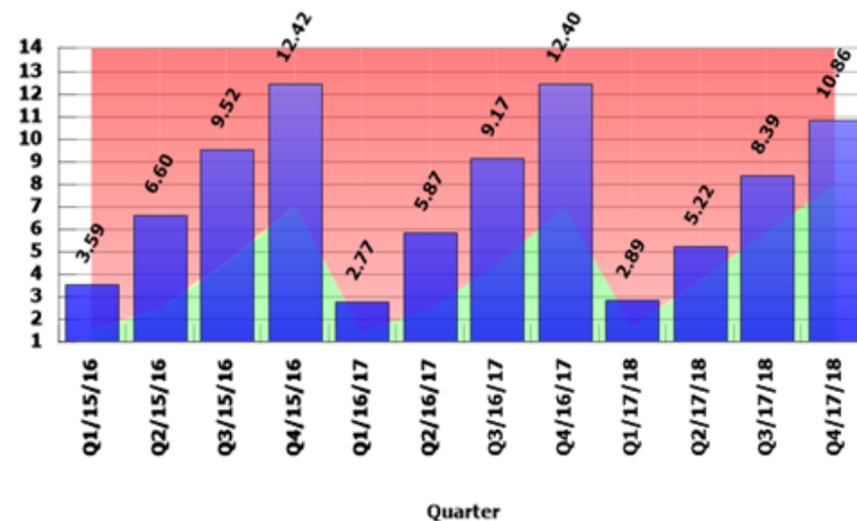
The annual total days lost per FTE for 17/18 is 10.86 compared to 12.4 for 16/17 - a reduction of 1.54 total days lost per FTE - and the lowest seen since 2013/14.

The reduction in long term absence is as a consequence of the revised Attendance Management Policy and HR and management implementing interventions, supported by Occupational Health that facilitate a return to work for staff.

Internal audit recently audited the Attendance Management policy and procedure and assessed the control design as providing ‘significant assurance’ and the operational effectiveness assessed as providing ‘moderate assurance’. Areas of non-compliance with the Managing Attendance policy and procedure across the Council were identified, with key requirements such as self-certification, return to work meetings and formal ‘stage’ meetings not being completed by managers or within an appropriate timeframe. Recommendations will be progressed and monitored to improve these areas.

Management and HR continue to work together in order to make interventions to help staff manage health conditions through a more flexible working agreement, which avoids staff taking sick days which could lead to a longer period of absence and maintains productivity.

There has been positive progress in improving this year’s attendance figures. However, progress in achieving change following policy implementation does take time. Continuing to manage attendance as a priority coupled with greater manager compliance should further improve overall figures over the coming year.



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REPORT of DIRECTOR OF RESOURCES

to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018

HUMAN RESOURCES STATISTICS - QUARTER FOUR 2017 / 18

1. PURPOSE OF THE REPORT

1.1 To present the Council's Human Resource statistics for the period 1 January 2018 to 31 March 2018. The main purpose of the report is to provide an update on the levels over the past quarter of vacancies, staff turnover, sickness absence, staff numbers and staff data to meet equality standards, as well as to report on key statistics for the 2017 / 18 financial year.

2. RECOMMENDATION

That the contents of this report are noted.

3. SUMMARY OF KEY ISSUES

3.1 This report is for Members' information only.

3.2 Labour Turnover

3.2.1 **Quarter 4 (Q4):** The staff turnover was based on an average of 233.33 staff employed in post between 1 January 2018 and 31 March 2018. There were 3 leavers and 8 starters in Q4.

3.2.2 Service level turnover for Q4 2017 / 18 is as follows:

Directorate	Leavers	Reasons for Leaving	Q4 Average ^{*1} Headcount	Average Full Time Equivalent (FTE) per Service	% of Service Staffing that was a Leaver per Service
Corporate Core	0	n/a	8	7.41	0%
Resources	0	n/a	55	43.76	0%
Customers and Community	1	1 Resignation	99	86.86	1.01%
Planning and Regulatory	2	2 Resignations	71.33	63.17	2.80%
Total	3		233.33	201.2	1.29%

^{*1} – Average headcount: figure averaged from Q4 month ends

3.3 Annual Labour Turnover for 2017 / 18

- 3.3.1 The **annual total staff turnover** figure for the 2017 / 18 financial year for the Council is **14.4%**, which is 0.1% greater than the Council's 2016 / 17 turnover figure. This is based on voluntary leavers (i.e. employees who chose to leave and resign) *plus* involuntary leavers (i.e. dismissals, end of fixed term contracts, unsuccessful probation etc.). As a comparator the average total staff turnover figure for public sector for 2016 was **15.1%**, **25.7%** for private sector, and **23%** for all sectors combined^{*1}. The Council's turnover rate is therefore below the public sector average and well below the private sector and all sector averages.
- 3.3.2 Employers mainly need to focus on **voluntary labour turnover** when considering staff retention and it is important to benchmark voluntary labour turnover rates against that of other similar organisations, to decide whether or not action is needed to address retention. Once an employer has a better insight into the reasons for employee resignations, it can develop an appropriate staff retention strategy.
- 3.3.3 The voluntary staff turnover figure for the Council for 2017 / 18 was **10.5%**, which is the same as 2016 / 17. As a comparator, the average public sector voluntary staff turnover figure for 2016 was **10%** - the Council's figure is therefore marginally above this. The average voluntary staff turnover figure for private sector was 17.5%, and 15.5% for all sectors combined.
- 3.3.4 Voluntary staff turnover rates for the Council for the past five financial years are as follows:

Year	No. of Resignations	Average Headcount	Voluntary Labour Turnover Rate	National Voluntary Labour Turnover Rate*2
2013/14	17	223	7.6%	12.5%
2014/15	27	227	11.9%	15.3%
2015/16	27	231	11.7%	16.1%
2016/17	24	229	10.5%	15.5%
2017/18	24	228	10.5%	Figures not yet available

3.4 Exit Questionnaires

- 3.4.1 Employee turnover can have negative impact on an organisation's performance. By understanding the reasons behind staff turnover, employers can devise recruitment and retention initiatives that reduce turnover and increase employee retention. Employers are able to use information gathered in exit questionnaires to identify reasons for labour turnover and to assist in identifying what improvements the organisation can make for the future.
- 3.4.2 Gathering information about employees' reasons for leaving can provide an employer with invaluable data about its employment practices, management style and any treatment perceived by employees as being unsatisfactory or unfair. Many employees will reveal the truth about their reasons for leaving in an exit questionnaire. The

Council currently obtains feedback via an exit questionnaire which is either discussed via an exit interview or completed individually by the leaver.

3.4.3 Of the 32 leavers MDC had between April 2017 and March 2018: Human Resources (HR) issued **23 exit** questionnaires (not always appropriate to issue these depending on the reason for leaving) and **16** were received back. Information from these is fed back to Directors / line managers where appropriate for attention, information or for remedial action to be taken.

3.4.4 A new exit questionnaire format was developed in November in order to allow greater insight and analysis into the reasons why staff leave. **Eleven** staff have completed this questionnaire since November. Figures 1 – 3 below are based on the responses from these 11 individuals and detail the main reasons given for leaving the Council; what factors were part of the decision to leave and details of whether the individual would work for the Council again.

3.4.5 Employees resign for many different reasons. Sometimes it is the attraction of a new job or the prospect of a period outside the workforce that 'pulls' them. On other occasions they are 'pushed' as a result of dissatisfaction in their present jobs to seek alternative employment. These 'push' factors range from a lack career opportunities to organisational changes. The move might also be prompted by a combination of both 'pull' and 'push' factors. One key factor behind an individual's decision to leave the organisation may be a poor relationship with a line manager, leading to disengagement *2.

Figure 1: Main reasons given for leaving the Council

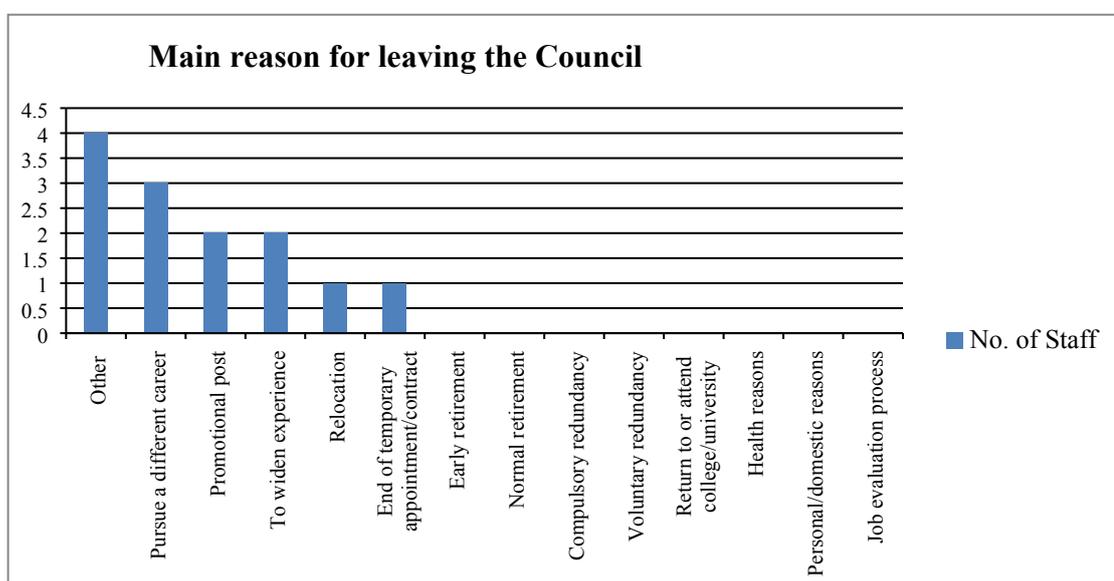


Figure 2: Factors that were part of the decision to leave the Council

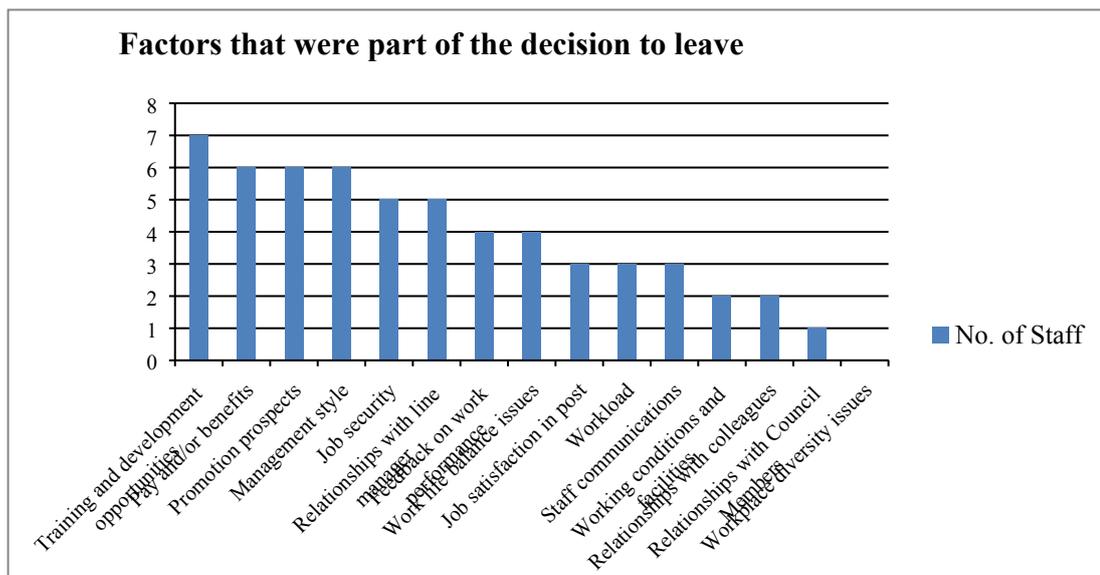
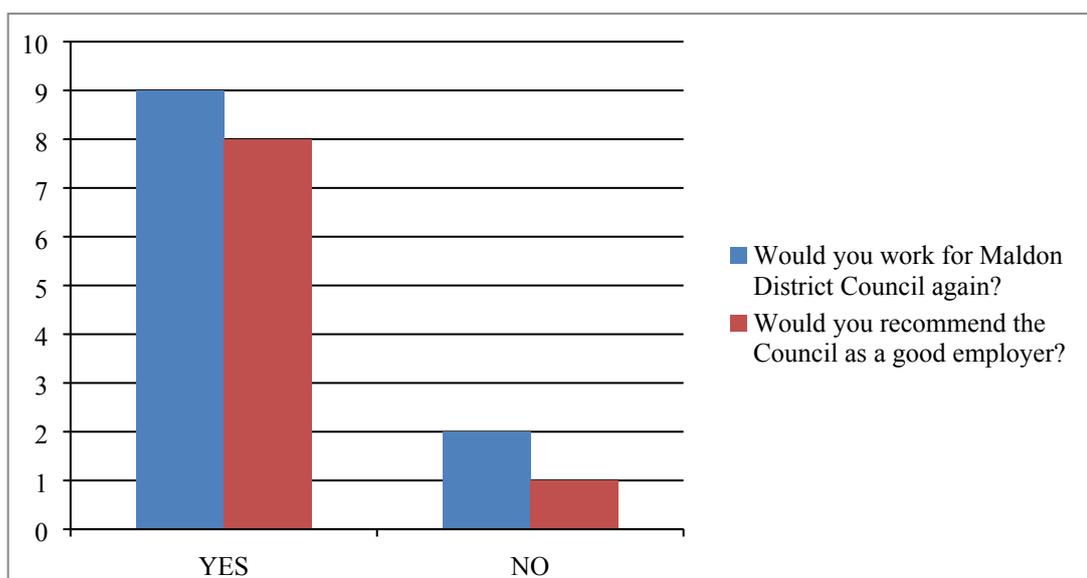


Figure 3: Individuals stating whether they would work for the Council again



3.4.6 Figure 3 shows that of the 11 respondents, nine (82%) would work for the Council again.

3.4.7 As the sample size increases over the coming months, further data and better trend analysis and benchmarking will be performed. This in turn will shape what strategies and interventions are put in place to ensure better staff retention. Exit trend analysis will continue to be reported at future meetings of the Finance and Corporate Services Committee.

4. RECRUITMENT

4.1 There has been a moderate amount of recruitment during Q4; a total of 14 external vacancies have been advertised; ten posts have been within the Customers and

Community Directorate, two posts within the Planning and Regulatory Directorate and two posts in the Resources Directorate.

- 4.2 There have been three internal vacancies advertised, one from each Directorate.
- 4.3 All external posts continue to be advertised on the Council’s website as well as via social media including Facebook and Twitter, Indeed (one of the largest and free of charge job search engines), and via Job Centre Plus - and any other relevant professional journals / media where appropriate, ensuring as wide reach as possible to potential candidates.
- 4.4 Please see below the external and internal vacancies for Q4 2017 / 18.
- 4.5 Please note that all Members continue to be sent a list of all Council vacancies on or around 19th of every month.
- 4.6 **Q4 External Vacancies:**

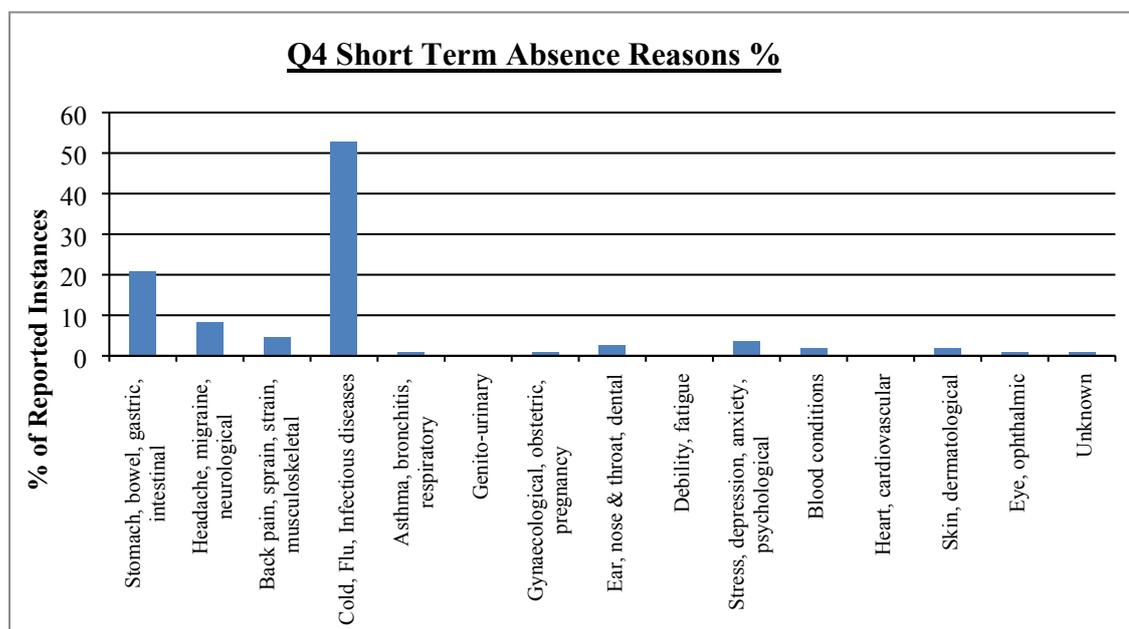
Directorate	Posts Advertised	Positions	Post advertised on MDC website, Indeed, Twitter and Facebook
Customers and Community	Leisure Attendant Supervisor	1	yes
	Leisure Attendant	4	yes
	Parks & Countryside Team Supervisor	1	yes
	Business Support Apprentice	2	yes
	Customers Assistant (Systems and Rates) – 12 months Maternity Cover	1	yes
	Customers Officer (Rates)	1	yes
Resources	Democratic Services Officer	1	yes
	Committee Services Officer	1	yes
Planning and Regulatory Services	Planner (Career Grade)	1	yes
	Corporate Fraud and Enforcement Assistant Fixed Term Contract (FTC)	1	yes
	Total	14	

4.7 Q4 Internal Vacancies:

Directorate	Posts Advertised	Positions	Post advertised on intranet
Customers and Community	Senior Community Protection Officer (Technical)	1	Yes
Resources	Cleaner	1	Yes
Planning and Regulatory Services	Environmental Health Technician 18.5 Hrs FTC	1	Yes
	Total	3	

5. STAFF SICKNESS LEVELS

- 5.1 The 2017 / 18 Q4 overall sickness figure (short and long term combined) **decreased by 20%**, to 498.86 total FTE days lost or 2.47 total days lost per FTE, compared to Q3 (622.76 total FTE days lost or 3.17 total days lost per FTE).
- 5.2 The figures for Q4 with regard to short term sickness have decreased by 7% from 322.64 total FTE days lost in Q3 to 300.62 total FTE days lost in Q4. This is despite the significant number of staff (58 instances or 53% of reported short term absences) having reported the reason for sickness as ‘cold, flu, infectious diseases’. As reported in the Q3 report, short term absence figures are usually expected to increase during the winter months.



- 5.3 Free of charge flu vaccinations were offered again this year to all staff and Members, and 37 individuals requested these. Hand sanitising gel was also provided around the building to assist with infection control.

- 5.4 The figures for Q4 with regard to long term absence showed a notable **decrease of 34%** from 300.12 total FTE days lost in Q3 (1.53 total days lost per FTE) to 198.24 (0.98 total days lost per FTE) in Q4. Human Resources and Management continue to work in partnership to manage long term absences cases and implement effective interventions under the Attendance Management Policy.
- 5.5 Out of the six staff who were on long term sickness absence during Q4, three have returned to work, one has left the Council and two staff continue to be managed under the Attendance Management Policy.
- 5.6 Managers are continuing to receive a monthly report showing sickness absence trigger information via a 'Bradford Score' report generated by the HR system. This shows the manager where action must be taken to instigate the formal absence management process with their staff. Other interventions that have been introduced to reduce sickness absence include the mandatory introduction of return to work interviews, the completion of which is monitored, and the provision of a responsive occupational health service. HR continues to work closely with managers to ensure that all absence cases are managed appropriately and in accordance with policy. Line managers are also required to report back on their actions taken to manage attendance on a monthly basis to HR.
- 5.7 Managers continue to be kept informed of progress against the Council's attendance Key Performance Indicator (KPI) target figure and the importance of them taking responsibility to manage attendance levels in their teams and to undertake the appropriate actions under the policy. Attendance levels will continue to be reported at future Manager's Forums.
- 5.8 The annual total days lost per FTE for the 2017 / 18 financial year is 10.86, compared to 12.4 for the 2016 / 17 financial year, a reduction of 1.54 total days lost per FTE. The target figure for the 2017 / 18 financial year is 8, and therefore progress has been made on achieving a reduction closer to this figure.
- 5.9 8.8 FTE days per employee were lost on average by local authority workers in 2016 / 17 *³, therefore attendance levels at the Council are not significantly higher than average (2.06 FTE days greater).
- 5.10 Consideration may want to be given to implementing a more realistic incremental KPI target, for example, nine for the 2018 / 19 financial year and eight in the 2019 / 20 financial year, given that behavioural and cultural change around attendance management interventions and protocols can take time.
- 5.11 Internal audit recently carried out an audit on the Attendance Management policy and procedure and assessed the design as giving 'significant assurance', which is an excellent achievement, and demonstrates that the Council is aligned to best practice. The operational effectiveness of the process was assessed as giving 'moderate assurance' – areas of non-compliance with the Managing Attendance policy and procedure across the Council were identified, with key requirements such as self-certification, Return to Work Meetings (RTW) and formal 'stage' meetings not being completed by managers or within an appropriate timeframe by managers.

- 5.12 As a consequence and further to audit recommendations HR will be undertaking regular monitoring of compliance against the controls within the Policy with these reported to the Finance and Corporate Services Committee and the Corporate Leadership Team (CLT) to ensure that areas of poor performance are held to account. These will be reported from Q1 2018 / 19.
- 5.13 The audit also recognised the significant work and achievement of the Council’s Mind Body and Soul group, in contributing to the wellbeing agenda across the Council. The Council recently won the ‘Essex Workplace of the Year’ award from Active Essex, which is an excellent achievement. The links between employment and improved health are well documented and there is also strong evidence to show how having a healthy workforce can reduce sickness absence, lower staff turnover and boost productivity.
- 5.14 Over the next financial year the Council will be looking to attain the Workplace Wellbeing Charter, which is a voluntary, self-assessment scheme open to all public, private and voluntary sector organisations based in England and is a statement about the way in which the organisation is run and supports the workforce, demonstrated by adherence to a set of standards. To achieve the Charter, the Council will be asked to demonstrate commitment and support by taking action to deploy any changes which may be necessary in the organisation. By following the Charter, the Council may further improve staff wellbeing, obtain buy-in from staff and management and reduce staff sickness.
- 5.15 Management and HR continue to work together in order to make successful interventions to help staff manage health conditions through a more flexible working agreement, which avoids staff taking sick days which could lead to a longer period of absence and maintains productivity.
- 5.16 HR and managers continue to promote the employee assistance programme, Workplace Options, which is offered to both employees and Members. Feedback is generally very positive, particularly regarding the quality of counselling services received. As well as using an Employee Assistance Programme (EAP) to help safeguard employees’ mental health and wellbeing, employers can also benefit. A healthier, happier workforce means lower sickness absence rates, increased productivity and higher levels of engagement.
- 5.17 In summary, there has been positive progress in improving this year’s attendance figures. It must be noted however, that progress in achieving change following policy implementation does take time. Continuing to manage attendance as a priority within HR coupled with greater manager compliance and compliance reporting should effect a further improvement in overall target figures over the next financial year.
- 5.18 The below table shows the last 4 financial year’s overall attendance figures – **the 17/18 figures are the lowest since the 2014 / 15 financial year**, demonstrating that the new policy and procedure is having an impact on the overall figures.

Year	Total days lost per FTE
2017 / 18	10.86
2016 / 17	12.4
2015 / 16	12.42
2014 / 15	12.23

Figure 4

Please find below the sickness for each quarter for 2016 / 17 and 2017 / 18

2017 / 18	Quarter One		Quarter Two		Quarter Three		Quarter Four		Cumulative Figures	
	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE
Short Term Absence	163.65	0.85	230.32	1.25	322.64	1.64	300.62	1.49	1017.23	5.23
Long Term Absence	393.05	2.04	198.64	1.08	300.12	1.53	198.24	0.98	1090.05	5.63
Total	556.70	2.89	428.96	2.33	622.76	3.17	498.86	2.47	2107.28	10.86

2016 / 17	Quarter One		Quarter Two		Quarter Three		Quarter Four		Cumulative Figures	
	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE
Short Term Absence	237.94	1.25	241.39	1.21	259.46	1.31	306.53	1.55	1045.32	5.32
Long Term Absence	290.83	1.52	372.46	1.89	393.37	1.99	331.78	1.68	1388.44	7.08
Total	528.77	2.77	613.85	3.1	652.83	3.3	638.31	3.23	2433.76	12.4

6. WORKFORCE STATISTICS

- 6.1 Please see **APPENDIX 1** attached to this report for the key statistics relating to staff including headcount, age profile, gender, sex and ethnic origin across the workforce.

7. CONCLUSION

- 7.1 The voluntary staff turnover figure for the Council for 2017 / 18 was **10.5%**, which is the same as 2016 / 17. As a comparator, the average public sector voluntary staff turnover figure for 2016 was **10%** - the Council's figure is therefore marginally above this. The average voluntary staff turnover figure for private sector was 17.5%, and 15.5% for all sectors combined.
- 7.2 The 2017 / 18 Q4 overall sickness figure (short and long term combined) **decreased by 20%**, to 498.86 total FTE days lost or 2.47 total days lost per FTE, compared to Q3 (622.76 total FTE days lost or 3.17 total days lost per FTE).
- 7.3 The figures for Q4 with regard to short term sickness have decreased by 7% from 322.64 total FTE days lost in Q3 to 300.62 total FTE days lost in Q4. This is despite the significant number of staff (58 instances or 53% of reported short term absences) having reported the reason for sickness as 'cold, flu, infectious diseases'.
- 7.4 The figures for Q4 with regard to long term absence showed a notable **decrease of 34%** from 300.12 total FTE days lost in Q3 (1.53 total days lost per FTE) to 198.24 (0.98 total days lost per FTE) in Q4. Human Resources and Management continue to work in partnership to manage long term absences cases and implement effective interventions under the Attendance Management Policy.
- 7.5 The annual total days lost per FTE for the 2017 / 18 financial year is 10.86, compared to 12.4 for the 2016 / 17 financial year, a reduction of 1.54 total days lost per FTE. The target figure for the 2017 / 18 financial year is 8, and therefore progress has been made on achieving a reduction closer to this figure.
- 7.6 In summary, there has been positive progress in improving this year's attendance figures. It must be noted however, that progress in achieving change following policy implementation does take time. Continuing to manage attendance as a priority within HR coupled with greater manager compliance and compliance reporting should effect a further improvement in overall target figures over the next financial year.

8. IMPACT ON CORPORATE GOALS

- 8.1 The effective implementation of the Attendance Management policy, including high levels of compliance with the policy, is critical to ensure that staff attendance levels are kept at the highest possible level to ensure resourcing is adequate in order to deliver an effective and efficient service for our customers.

9. IMPLICATIONS

- (i) **Impact on Customers** – No direct impact on customers from this report, although the wider staff context concerning recruitment, vacancies and sickness has an impact on the ability to deliver services to customers.
- (ii) **Impact on Equalities** – More detailed information on the protected characteristics of the Council’s workforce, is now available on the new Human Resources system. This will allow the team to consider the needs of those groups when writing new Policies and Procedures and when carrying out its functions.
- (iii) **Impact on Risk** – Effective and proactive management of staff sickness and recruitment helps mitigate risk.
- (iv) **Impact on Resources (financial)** – The cost of advertisements and other necessary costs related to recruitment are included within current approved budgets.
- (v) **Impact on Resources (human)** – HR continues to regularly provide advice and guidance to both employees and managers on how best to manage attendance using the good practice steps outlined within the Managing Attendance Policy and Procedure. Staff absences do affect direct colleagues and this is addressed by the use of the Managing Attendance Policy with individuals.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to:

Dawn Moyse, Group Manager, People, Performance and Policy, (Tel: 01621 875869) or Helena Beattie, Senior HR Business Partner / Team Leader, (Tel: 01621 876281).

^{*1} *Xpert HR- Headline Staff Turnover Rates for 2016*

^{*2} *Chartered Institute of Personnel Development (CIPD) Turnover and Retention Factsheet, CIPD 2018*

^{*3} *Local Government Association Workforce Survey 2015 / 16, published March 2017*

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Workforce Statistics: Quarter Four 2017 / 18**1. Headcount and Full Time Equivalent (FTE) by Gender^{*1}**

		Q1	Q2	Q3	Q4
Female	Headcount	153	149	151	154
	FTE	122.84	121.50	122.66	124.8
	% Workforce	67.11%	66.22%	65.37%	65.53%
Male	Headcount	75	76	80	81
	FTE	69.39	71.64	75.61	76.78
	% Workforce	32.89%	33.78%	34.63%	34.46%
Total	Headcount	228	225	231	235
	FTE	192.23	193.14	198.27	201.58

2. Number of Full and Part Time Employees by Gender^{*1}

	Q1		Q2		Q3		Q4	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Full Time	65	84	68	81	72	85	73	84
Part Time	10	69	8	68	8	66	8	70
Total	75	153	76	149	80	151	81	154

3. Headcount by Directorate

Section	Number of staff in QTR 1 (Average ^{*2})	Number of staff in QTR 2 (Average ^{*2})	Number of staff in QTR 3 (Average ^{*2})	Number of staff in QTR 4 (Average ^{*2})
Corporate Core	6.41	7	7	8
Resources	53	51.33	53.66	43.76
Customers & Community	98.33	92	94.33	86.86
Planning & Regulatory	68	73.33	73.66	63.17
Total	225.74	223.66	228.65	233.33

4. Headcount by Ethnic Group^{*1}

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
A White British	162	162	161	163
A White English	48	48	43	44
A White Irish	2	2	5	5
A White Scottish	2	2	2	
A White Welsh		1	1	1
B Mixed White & Asian		1	1	1
B Mixed White & Black African				
B Mixed White & Black Bangladeshi	1	2		
C Asian, Asian British Bangladeshi			2	2
C Asian, Asian British Indian				
C Asian, Asian British Pakistani			1	1
D Black, Black British African				
D Black, Black British Caribbean				
E Chinese, Chinese British / other ethnic Chinese	1	1	1	1
F Other	3	2	4	3
G Prefer not to say	9	4	10	14
TOTAL	228	225	231	235

^{*1} Headcount data extracted from last date in reported quarter. Please also note the above data does not include information on staff employed on zero hours contracts / seasonal staff contracts.

^{*2} Headcount figure averaged from month ends within each quarter.



REPORT of DIRECTOR OF RESOURCES

to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018

HUMAN RESOURCES POLICIES AND PROCEDURES

1. PURPOSE OF THE REPORT

- 1.1 To state that the Council's Human Resources policies and procedures that have been amended for noting and developed for approval, specifically the Council's code of Conduct.

2. RECOMMENDATIONS

To the Council:

That the amendments to the Code of Conduct as detailed in section 3.2 of this report are approved.

3. SUMMARY OF KEY ISSUES

- 3.1 It is a requirement of the Committee rules that all policies and procedures are put before the Finance and Corporate Services Committee.
- 3.2 It is proposed that the following two additional paragraphs are included in the Council's Code of Conduct, following approval by the Corporate Leadership Team (CLT) and in consultation with Unison.

24 Financial

24.1 *All employees will ensure:*

- *they do not default on payments owed to the Council i.e. Council Tax.*
- *never make fraudulent claims for public money to gain a financial advantage i.e. housing benefit.*
- *to adhere to any agreements reached for the repayment of such debts.*

24.2 *Employees who are in debt or at risk to the Council or are concerned that missed payments may occur should discuss the matter as soon as is possible with a member of the Human Resources team. Failure to do so could lead to formal action being taken.*

24.3 *Employees in receipt of any allowances or rebates administered by the Council (e.g. council tax rebates) must notify the Council of any change in circumstance that affect the entitlement.*

25 *Accessing IT systems*

25.1 *Employees will at all times ensure that they comply with the Officer Conditions of Acceptable Use and Personal Commitment Statement policy relating to use of IT equipment.*

25.2 *It is recognised that staff can face a conflict of interest when undertaking their roles. To protect the interests of both the staff concerned and the Council against criticism or allegation of malpractice, as a 'matter of procedure no employee shall;*

- *amend or seek to influence the processing of any computer or other record concerning any matter in which they, a family member or friend have an interest;*
- *use the Councils IT systems or any other records held to view either their own data or that of records of family or friends.*
- *use data obtained from any of the Councils IT systems or any other records to give themselves, family or friends any advantage.*
- *update any records that relate to themselves, family or friends.*

4. CONCLUSION

4.1 All policies and procedures are statutory obligations to the Council and therefore need to be approved and or noted by the Committee as relevant.

5. IMPACT ON CORPORATE GOALS

5.1 None.

6. IMPLICATIONS

- (i) **Impact on Customers** – The Council's internal customers are its employees and as such, it has a legal obligation to uphold by doing what is statutorily required. This policy updates meet with this obligation.
- (ii) **Impact on Equalities** – All policies and procedures produced have an Equality Impact Assessment completed to ensure they do not greatly affect one or other employee.

¹ To support employees, the Council offers a free and confidential Employee Assistance Programme (EAP) to all staff. This service is delivered by Workplace Options, an independent provider of employee support services. To access the website, go to www.workplaceoptions.com Click on 'Member Login' then enter; User name: **Maldon** / Password: **employee**

- (iii) **Impact on Risk** – A number of potential risks could exist of not implementing the amendments including, a conflict in the interest of the employee and their role within the Council, potential reputational damage to the Council and employee arrears / debt not being addressed and becoming a serious issue for the employee and the Council.
- (iv) **Impact on Resources (financial)** – Any costs to the Council are statutory and must be met. The non-payment of Council tax and any associated costs to administer the retrieval of monies owed to the Council.
- (v) **Impact on Resources (human)** – Human Resources officers must ensure that the policy change is managed with care and ensure that the change is communicated appropriately to all staff. HR must ensure that Managers understand the reason for the change and support and /or report any action taken.
- (vi) **Impact on the Environment** – Ensuring the Council’s obligations are met, impacts on the corporate branding for the Council.

Background Papers:

Internal Policies and Procedures available via the Intranet to all employees and Councillors.

Enquiries to:

Dawn Moyse, Group Manager, People, Performance and Policy, (Tel: 01621 875869) or
Helena Beattie, Senior HR Business Partner / Team Leader, (Tel: 01621 876281).

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REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

ANNUAL REPORT ON THE WHISTLEBLOWING POLICY

1. PURPOSE OF THE REPORT

- 1.1 To report to the Committee on the Whistleblowing Policy and Procedure and on any complaints made under the Policy during 2017 / 18.

2. RECOMMENDATION

That the content of this report be noted.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council's revised Whistle-Blowing Policy was adopted by Council on 30th January 2018. This policy was made under the provisions of the Public Interest Disclosure Act 1998, and makes provisions for internal confidential disclosure of allegations of malpractice. The legislation provides protection for workers who raise legitimate concerns in good faith where the worker has a reasonable belief that any of the following is being, has been, or is likely to be committed and that it is in the public interest to whistle blow. Example of matters could be :
- A criminal offence;
 - A miscarriage of justice;
 - An act creating risk to health and safety;
 - An act causing damage to the environment;
 - A breach of any other legal obligation; or
 - Concealment of any of the above..
- 3.2 The Legal and Democratic Services Manager is designated the "Whistleblowing Officer" to whom complaints may be made on a confidential basis.
- 3.3 The Committee should note that no complaints were made under the Whistleblowing Policy for the year 2017 / 18.

4. IMPACT ON CORPORATE GOALS

- 4.1 The maintenance of policies to enable the reporting of concerns contributes to our Corporate Goal “Delivering good quality, cost effective and valuable services”.

5. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: Whistleblowing Policy.

Enquiries to: Simon Quelch, Senior Solicitor and Monitoring Officer, (Tel: 01621 875870).



REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

FINANCIAL OUTTURN 2017/18

1. PURPOSE OF THE REPORT

- 1.1 To provide Members of the Committee the indicative outturn position for the year ended 31 March 2018.
- 1.2 To inform Members of movements in relation to the Council's General Fund / Earmarked Reserves and Capital Commitments as at 31 March 2018.

2. RECOMMENDATIONS

- (i) That the estimated outturn position for the 2017 / 18 financial year be reviewed;
- (ii) That the movement in earmarked reserves be reviewed;
- (iii) That the capital commitment roll forwards be reviewed.

3. SUMMARY OF KEY ISSUES

3.1 Performance against the net revenue budget

3.1.1 Outturn position

3.1.1.1 The Draft Statement of Accounts is currently being prepared. These are still subject to finalisation and audit by the external auditors, and therefore figures may be subject to change.

3.1.1.2 The revised 2017 / 18 estimates of the Net Cost of Services is £9,301,000. The table overleaf provides an overview of the outturn position for 2017 / 18, comparing the estimated actual controllable expenditure and income to the revised budget estimates:

	Revised Budgets	Actual	Salary Variance*	Statutory Adjustments	Committed Exp.	Variance
Directorate	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive						
Expenditure	1,032,000	1,058,567	804	(48,000)	5,250	(15,379)
Income	(26,800)	(26,964)		-		(164)
Resources						
Expenditure	2,882,900	2,873,064	43,814	(180,000)	39,844	(106,178)
Income	(97,800)	(101,067)		(139,355)		(3,267)
Planning and Regulatory Services						
Expenditure	3,391,900	3,472,286	98,823	(211,000)	(8,091)	(39,882)
Income	(1,181,100)	(1,250,901)		-	89,697	19,897
Customers and Community						
Expenditure	22,920,900	22,004,263	34,872	35,000	695,651	(151,113)
Income	(20,285,800)	(19,910,713)		-	(394,000)	(18,913)
Other						
Investment Property Income	(128,200)	(139,355)		-		(11,155)
Parks Trading Account	(25,700)	(13,092)		-		12,608
Total	8,482,300	7,966,087	178,313	(404,000)	428,352	(313,548)
Capital Charges excluded from above	818,300					
Budget Book Total	9,300,600					

* Salary Variances are reported in **APPENDIX 1**

3.1.1.3 The statutory adjustments relate to Pension charges. The net cost of service is subject to charges that reflect the benefits accrued in that financial year, as opposed to the actual pension costs paid for the year. These are reversed out elsewhere in the accounts and therefore can be excluded from the variances. The committed expenditure is considered further in paragraph 3.4 below. After these adjustments the table above shows a direct service underspend of £313,548.

3.1.1.4 Taking the above into consideration, the indicative Net General Fund Position at 31 March 2018 is £3,226,000. The prior year's balance was £4,339,000 therefore the year end outturn was a £1,113,000 contribution from General Fund Reserves, against a budgeted outturn of £1,150,000 contribution.

3.1.1.5 The large committed expenditure adjustment under Customers and Community reflects a contribution to reserves made from the net variance in the Benefits subsidy outturn. This affects income and expenditure, and therefore the reserve adjustments have been made gross to both to accurately reflect in the variances.

3.2 Salaries

3.2.1 **APPENDIX 1** provides details of the salary budgets and actual expenditure as at the end of the 2017 / 18 financial year. This shows an underspend of £175,313 against a revised budget of £6,938,800.

3.2.2 The underspend relates to a number of vacancies during 2017/18, the largest savings are in the Planning and Regulatory Directorate which have had vacancies within Environmental Services Management, a Maternity vacancy and a Tree Officer vacancy within Development Control.

3.3 Major Sources of Income

3.3.1 The Council is dependent upon a number of large income sources in order to balance the budget. The table below details the main income budgets and income received for the 2017 / 18 financial year.

Budget Heading	2017 / 18 Budget	2017 / 18 Actual	2017 / 18 Variance	2016 / 17 Actual
	£	£	£	£
Land Charges	119,400	115,100	4,300	128,824
Planning Development Fees	586,200	506,837	79,363	406,707
Pre Application Advice	44,200	69,382	(25,182)	31,991
Building Control	135,300	149,696	(14,396)	169,212
Investment Income	215,895	237,138	(21,243)	210,178
Town Centre Car Parks	702,200	700,804	1,396	698,985
Prom Car Parks	374,200	371,034	3,166	379,326
Splash Park	94,200	94,955	(755)	128,925
TOTAL	2,271,595	2,244,946	26,649	2,154,148

3.3.2 Actual income has fallen below budgeted estimations by £26,649 (equivalent to 1.2%). This is largely due to a significant drop in Development Control income year on year and major planning applications that had been budgeted for but have not yet commenced planning proceedings, although this has been partly offset with the increase in pre-application advice which has performed better than expected.

3.3.3 Investment income has continued to increase following the decision to invest in the Investec Diversified income Fund.

3.3.4 Under the Business Rate Retention scheme, the Council is able to retain 100% of business rates sourced from Renewable Energy; in 2017 / 18 this income totalled £755,000.

3.4 Movement in Earmarked Reserves

3.4.1 Indicative Earmarked Reserves balances as at 31 March 2018 are £3,490,000.

3.4.2 **APPENDIX 2** provides information in relation to the purposes of the various Earmarked Reserves and the movements in 2017 / 18.

- 3.4.3 During the 2017/18 financial year, the main use of Earmarked Reserves has been to fund the previous year's identified committed expenditure.
- 3.4.4 Revenue commitments as at 31 March 2018 total £134,000. This reserve recognises that there are timing differences between monies being earmarked to fund expenditure from the annual revenue budget and the expenditure actually being incurred. These form part of the commitment balances shown in the table within section 3.1.1.2.
- 3.4.5 Two new reserves have been set up for 2017 / 18. The Business Rates equalisation reserve recognises that there are timing differences between cash received from government for the reliefs offered to businesses and the effect of these reliefs on the net rates receivable.
- 3.4.6 The Pensions reserve has been set up to build up funds to enable the Council to forward fund the three year pension deficit in 2020/21 and therefore benefit from the revenue savings that this offers.

3.5 Capital Commitments

3.5.1 The Council's approved capital programme was £1,378,000 in 2017 / 18. This includes the prior year programme roll forwards, and supplementary estimates. The largest projects in the year related to resurfacing works, the refurbishment of Wood Road, and the email replacement project. Over three quarters (79%) of the capital programme was completed at year end.

3.5.2 As at 31 March 2018, a number of capital projects were still on-going and the following budget amounts were requested to be carried over into 2018 / 19:

Capital Project	2017/18 Budget	2017 / 18 Expenditure	2017/18 Balance	Amount requested to carry forward
	£	£		£
Winter Car Parking	130,000	31,800	98,200	98,200
Prom Park Road Repairs	55,000	54,249	751	751
Waste Contract Purchase of Bins	69,000	14,640	54,360	22,412
Replacement Polling Booths	25,000	0	25,000	25,000
Riverside Park Information boards	20,000	0	20,000	20,000
CCTV High St. & Car Park upgrade 16/17	30,000	0	30,000	30,000
CCTV Prom Upgrade	9,000	0	9,000	9,000
Superfast Broadband	30,000	0	30,000	30,000
Email Replacement Project - Office 360 Rollout & Contingency	60,000	42,500	17,500	17,500
TOTAL	428,000	143,189	284,811	252,863

4. CONCLUSIONS

- 4.1 Income and expenditure levels came in under the revised budget. This was as a result of salary savings, goods and services underspends and improved income and contributions.
- 4.2 The net outturn position is in line with that forecast in the Medium Term Financial Strategy.
- 4.3 A number of capital projects have been completed in year, however, some projects were unable to be completed by 31 March 2018 and budgets have therefore been committed at year end accordingly.

5. IMPACT ON CORPORATE GOALS

- 5.1 This report links to the corporate goal of ‘delivering good quality, cost effective and valued services’.

6. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risks** – There is a Corporate risk on the delivery of a balanced budget. The actual outturn position is in line with the approved budget approved by the Council in January 2018, therefore no impact on the risk.
- (iv) **Impact on Resources (financial)** – The net outturn position is in line with the budget forecast therefore the financial impact is in line with the medium term financial strategy.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Carrie Cox, Finance Manager, (Tel: 01621 875799).

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Cost Centre	Budget 2017/2018	Actual 2017/2018	(Saving) / Overspend
Chief Executive			
101 Corporate Core	475,900	475,096	(804)
Service Area Total	475,900	475,096	(804)
Resources Directorate			
102 Election Management	68,100	68,241	141
103 Policy & Comms	199,300	199,775	475
105 Human Resources	164,700	164,456	(244)
106 Apprentices	14,600	9,093	(5,507)
108 Committee Services	262,500	248,845	(13,655)
109 General Office Support	40,900	38,305	(2,595)
113 Finance	314,600	297,194	(17,406)
119 ICT Services	377,600	373,377	(4,223)
121 Council Offices	177,900	177,100	(800)
Service Area Total	1,620,200	1,576,386	(43,814)
Customer & Communities Directorate			
110 Customer Contact Centre	387,800	379,261	(8,539)
114 Revenues & Benefits	672,200	652,768	(19,432)
118 Leisure and Countryside Management	279,600	283,126	3,526
133 Environmental Waste	168,000	169,981	1,981
141 Parks Operational	510,600	500,525	(10,075)
153 Community Rangers	315,000	312,667	(2,333)
Service Area Total	2,333,200	2,298,328	(34,872)
Planning Services Directorate			
132 Environmental Health	440,000	416,022	(23,978)
134 Housing	493,700	491,033	(2,667)
163 Enforcement	193,300	181,782	(11,518)
164 Economic Development	109,100	108,492	(608)
165 Planning Policy Services	336,600	334,431	(2,169)
166 Planning Admin Services	260,100	260,042	(58)
167 Development Control	536,100	487,001	(49,099)
168 Building Control	140,600	134,874	(5,726)
Service Area Total	2,509,500	2,413,677	(95,823)
TOTAL	6,938,800	6,763,487	(175,313)

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Earmarked Revenue Reserve	Balance	Transfers (from) revenue	Transfers to revenue	Balance
	31-Mar-17	2017/18	2017/18	31-Mar-18
	£000	£000	£000	£000
Transformation	765	(947)	0	1,712
Community grants	1	0	0	1
Community Sports Network	9	0	1	8
Heritage projects	8	0	0	8
Insurance liability	60	0	0	60
Repairs & renewals fund	225	0	0	225
Revenue commitments	300	(121)	287	134
Local Plan Development	406	0	171	235
Land Charges	6	0	6	0
Preventing Repossessions	32	0	32	0
Localisation of Council Tax (CT) & Non Domestic Rates (NDR)	369	0	369	0
Business Continuity	10	0	0	10
Sports Development	13	0	0	13
Community Safety	92	(3)	14	81
Economic Development	47	(60)	16	91
Electoral Registration	20	0	0	20
Neighbourhood Plan Applications	17	(20)	8	29
Waste Contract Implementation	44	0	19	25
Custom & Self Build Grant	21	0	21	0
Football Development Officer (FDO) external funding from Plume	2	(1)	0	3
Brown Field grant	15	0	15	0
Homeless reduction Act Grant	0	(30)	0	30
Business Rates equalisation	0	(533)	0	533
Pensions Reserve	0	(116)	0	116
Community Housing Fund Grant	191	0	35	156
Total Specific Reserves	2,653	(1,831)	994	3,490

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REPORT of DIRECTOR OF RESOURCES

to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018

ANNUAL TREASURY OUTTURN REPORT 2017 / 18

1. PURPOSE OF THE REPORT

- 1.1 To consider the annual treasury outturn report in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management.

2. RECOMMENDATION

To the Council:

That the annual Treasury Management report for 2017 / 18 (**APPENDIX A**) be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 This report covers treasury activity and the associated monitoring and control of risk.
3.2 The full report for consideration is attached as **APPENDIX A**.

4. CONCLUSION

- 4.1 The Bank of England Base Rate increased in November 2017 impacting on investment returns across the market. This coupled with higher balances to invest, has led to the Council's investment returns being higher than revised budget estimates.

5. IMPACT ON CORPORATE GOALS

- 5.1 This report links to the outcome of maximising resources.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.

- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Risks have been managed with the parameters set out in the Treasury Management Policies and Practices.
- (iv) **Impact on Resources (financial)** – Investment interest earned in 2017 / 18 was £236,764 which was £20,764 more than the revised budget estimate.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Ann Nagy, Senior Accountant (Resources), (Tel: 01621 875727).

Annual Treasury Report 2017-18

1. Background

The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice a year (mid-year and at year end).

The Council's Treasury Management Strategy for 2017/18 was approved by the Council on 22 March 2018 (Minute No. 919 refers).

The Council has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

2. Economic Background provided by Arlingclose

Economic background. 2017-18 was characterised by the push-pull from expectations of tapering of Quantitative Easing (QE) and the potential for increased policy rates in the US and Europe and from geopolitical tensions, which also had an impact.

The UK economy showed signs of slowing with latest estimates showing GDP, helped by an improving global economy, grew by 1.8% in calendar 2017, the same level as in 2016. This was a far better outcome than the majority of forecasts following the EU Referendum in June 2016, but it also reflected the international growth momentum generated by the increasingly buoyant US economy and the re-emergence of the Eurozone economies.

The inflationary impact of rising import prices, a consequence of the fall in sterling associated with the EU referendum result, resulted in year-on-year CPI rising to 3.1% in November before falling back to 2.7% in February 2018. Consumers felt the squeeze as real average earnings growth, i.e. after inflation, turned negative before slowly recovering. The labour market showed resilience as the unemployment rate fell back to 4.3% in January 2018. The inherent weakness in UK business investment was not helped by political uncertainty following the surprise General Election in June and by the lack of clarity on Brexit, the UK and the EU only reaching an agreement in March 2018 on a transition which will now span Q2 2019 to Q4 2020. The Withdrawal Treaty is yet to be ratified by the UK parliament and those of the other 27 EU member states and new international trading arrangements are yet to be negotiated and agreed.

The Bank of England's Monetary Policy Committee (MPC) increased Bank Rate by 0.25% in November 2017. It was significant in that it was the first rate hike in ten years, although in essence the MPC reversed its August 2016 cut following the referendum result. The February *Inflation Report* indicated the MPC was keen to return inflation to the 2% target over a more conventional (18-24 month) horizon with 'gradual' and 'limited' policy tightening. Although in March two MPC members voted to increase policy rates immediately and the MPC itself stopped short of committing itself to the timing of the next increase in rates, the minutes of the meeting suggested that an increase in May 2018 was highly likely.

In contrast, economic activity in the Eurozone gained momentum and although the European Central Bank removed reference to an 'easing bias' in its market communications and had yet to confirm its QE intention when asset purchases end in September 2018, the central bank appeared some way off

normalising interest rates. The US economy grew steadily and, with its policy objectives of price stability and maximising employment remaining on track, the Federal Reserve Open Market Committee (FOMC) increased interest rates in December 2017 by 0.25% and again in March, raising the policy rate target range to 1.50% - 1.75%. The Fed is expected to deliver two more increases in 2018 and a further two in 2019. However, the imposition of tariffs on a broadening range of goods initiated by the US, which has led to retaliation by China, could escalate into a deep-rooted trade war having broader economic consequences including inflation rising rapidly, warranting more interest rate hikes.

Financial markets: The increase in Bank Rate resulted in higher money markets rates: 1-month, 3-month and 12-month LIBID rates averaged 0.32%, 0.39% and 0.69% and at 31st March 2018 were 0.43%, 0.72% and 1.12% respectively.

Gilt yields displayed significant volatility over the twelve-month period with the change in sentiment in the Bank of England's outlook for interest rates. The yield on the 5-year gilts which had fallen to 0.35% in mid-June rose to 1.65% by the end of March. 10-year gilt yields also rose from their lows of 0.93% in June to 1.65% by mid-February before falling back to 1.35% at year-end. 20-year gilt yields followed an even more erratic path with lows of 1.62% in June, and highs of 2.03% in February, only to plummet back down to 1.70% by the end of the financial year.

The FTSE 100 had a strong finish to calendar 2017, reaching yet another record high of 7688, before plummeting below 7000 at the beginning of 2018 in the global equity correction and sell-off.

Credit background:

Credit Metrics

In the first quarter of the financial year, UK bank credit default swaps reached three-year lows on the announcement that the Funding for Lending Scheme, which gave banks access to cheaper funding, was being extended to 2018. For the rest of the year, CDS prices remained broadly flat.

The rules for UK banks' ring-fencing were finalised by the Prudential Regulation Authority and banks began the complex implementation process ahead of the statutory deadline of 1st January 2019. As there was some uncertainty surrounding which banking entities the Council would be dealing with once ring-fencing was implemented and what the balance sheets of the ring-fenced and non ring-fenced entities would look like, in May 2017 Arlingclose advised adjusting downwards the maturity limit for unsecured investments to a maximum of 6 months. The rating agencies had slightly varying views on the creditworthiness of the restructured entities.

Barclays was the first to complete its ring-fence restructure over the 2018 Easter weekend; wholesale deposits including local authority deposits will henceforth be accepted by Barclays Bank plc (branded Barclays International), which is the non ring-fenced bank.

Money Market Fund regulation: The new EU regulations for Money Market Funds (MMFs) were finally approved and published in July and existing funds will have to be compliant by no later than 21st January 2019. The key features include Low Volatility Net Asset Value (LVNAV) Money Market Funds which will be permitted to maintain a constant dealing NAV, providing they meet strict new criteria and minimum liquidity requirements. MMFs will not be prohibited from having an external fund rating (as had been suggested in draft regulations). Arlingclose expects most of the short-term MMFs it recommends to convert to the LVNAV structure and awaits confirmation from each fund.

Credit Rating developments

The most significant change was the downgrade by Moody's to the UK sovereign rating in September from Aa1 to Aa2 which resulted in subsequent downgrades to sub-sovereign entities including local authorities.

Changes to credit ratings included Moody's downgrade of Standard Chartered Bank's long-term rating to A1 from Aa3 and the placing of UK banks' long-term ratings on review to reflect the impending ring-fencing of retail activity from investment banking (Barclays, HSBC and RBS were on review for downgrade; Lloyds Bank, Bank of Scotland and National Westminster Bank were placed on review for upgrade).

Standard & Poor's (S&P) revised upwards the outlook of various UK banks and building societies to positive or stable and simultaneously affirmed their long and short-term ratings, reflecting the institutions' resilience, progress in meeting regulatory capital requirements and being better positioned to deal with uncertainties and potential turbulence in the run-up to the UK's exit from the EU in March 2019. The agency upgraded Barclays Bank's long-term rating to A from A- after the bank announced its plans for its entities post ring-fencing.

Fitch revised the outlook on Nationwide Building Society to negative and later downgraded the institution's long-term ratings due to its reducing buffer of junior debt. S&P revised the society's outlook from positive to stable.

Other developments:

In February, Arlingclose advised against lending to Northamptonshire County Council (NCC). NCC issued a section 114 notice in the light of severe financial challenge and the risk that it would not be in a position to deliver a balanced budget.

In March, following Arlingclose's advice, the Council removed RBS plc and National Westminster Bank from its counterparty list. This did not reflect any change to the creditworthiness of either bank, but a tightening in Arlingclose's recommended minimum credit rating criteria to A- from BBB+ for FY 2018-19. The current long-term ratings of RBS and NatWest do not meet this minimum criterion, although if following ring-fencing NatWest is upgraded, the bank would be reinstated on the Council's lending list.

Local Authority Regulatory Changes

Revised CIPFA Codes: CIPFA published revised editions of the Treasury Management and Prudential Codes in December 2017. The required changes from the 2011 Code will be incorporated into Treasury Management Strategies and monitoring reports.

The 2017 Prudential Code introduces the requirement for a Capital Strategy which provides a high-level overview of the long-term context of capital expenditure and investment decisions and their associated risks and rewards along with an overview of how risk is managed for future financial sustainability. Where this strategy is produced and approved by full Council, the determination of the Treasury Management Strategy can be delegated to a committee. The Code also expands on the process and governance issues of capital expenditure and investment decisions. A Capital Strategy will be produced in 2018/19.

In the 2017 Treasury Management Code the definition of 'investments' has been widened to include financial assets as well as non-financial assets held primarily for financial returns such as investment property. These, along with other investments made for non-treasury management purposes such as loans supporting service outcomes and investments in subsidiaries, must be discussed in the Capital Strategy or Investment Strategy. Additional risks of such investments are to be set out clearly and the impact on financial sustainability is to be identified and reported.

MHCLG Investment Guidance and Minimum Revenue Provision (MRP): In February 2018 the MHCLG (Ministry of Housing, Communities and Local Government) published revised Guidance on Local Government and Investments and Statutory Guidance on Minimum Revenue Provision (MRP).

Changes to the Investment Guidance include a wider definition of investments to include non-financial assets held primarily for generating income return and a new category called “loans” (e.g. temporary transfer of cash to a third party, joint venture, subsidiary or associate). The Guidance introduces the concept of proportionality, proposes additional disclosure for borrowing solely to invest and also specifies additional indicators. Investment strategies must detail the extent to which service delivery objectives are reliant on investment income and a contingency plan should yields on investments fall.

The definition of prudent MRP has been changed to “put aside revenue over time to cover the CFR”; it cannot be a negative charge and can only be zero if the CFR is nil or negative. Guidance on asset lives has been updated, applying to any calculation using asset lives. Any change in MRP policy cannot create an overpayment; the new policy must be applied to the outstanding CFR going forward only.

MiFID II: As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities were automatically treated as retail clients but could “opt up” to professional client status, providing certain criteria was met which includes having an investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the council have at least a year’s relevant professional experience. In addition, the regulated financial services firms to whom this directive applies have had to assess that that person(s) have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

The Council has met the conditions to opt up to professional status and has done so in order to maintain its former MiFID II status prior to January 2018. The Council will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

Local Context

At 31/03/2018 the Council’s underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was zero.

At 31/03/2018, the Council had no borrowing and £11.5 m of investments. The Council may however have to borrow to pre fund future years requirements or unexpected capital expenditure that occurs in the year providing this does not exceed the authorised limit for borrowing of £10m.

The Council is currently debt free and its approved capital expenditure plans do not imply any need to borrow over the forecast period. Investments are forecast to fall to £9m as capital receipts are used to finance capital expenditure and reserves are used to finance the revenue budget over the next three years.

Investment Activity

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2017/18, the Council’s investment balance ranged between £11 and £22 million due to timing differences between income and expenditure. The year-end investment position and the year-on-year change is shown in the table below

Investment Activity in 2017 / 18

Investments	Balance on 01/04/2017 £'000	Investments Made £'000	Maturities/ Investments Sold £'000	Balance on 31/03/2018 £'000
Short term fixed Investments	2,000	6,000	8,000	0
Cash Accounts	2,000	0	0	2,000
Money Market Funds	2,500	44,000	43,000	3,500
Certificates of Deposit	2,000	2,000	3,000	1,000
LAMIT Property Fund	3,000	0	0	3,000
Investec Diversified Income fund	0	2,000	0	2,000
TOTAL INVESTMENTS	11,500			11,500
Increase/ (Decrease) in Investments £m				-

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

In furtherance of these objectives, and given the increasing risk and low returns from short-term unsecured bank investments, the Council diversified into higher yielding asset classes during 2017/18. £2m that is available for longer-term investment was moved from bank and building society deposits into the Investec Diversified Income Fund. As a result the average rate of return has increased by 1.15% to 3.04%.

Compliance Report

All treasury management activities undertaken during 2017/18 complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.

The Council continues to be debt free so compliance with the authorised limit and operational boundary for external debt is confirmed.

Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	31.3.18 Actual	2017/18 Threshold	Complied
Portfolio average credit score	2.7	6	✓

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	31.3.18 Actual	2017/18 Target	Complied
Total cash available within 3 months	5m	5.5m	✓

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of interest payable, should borrowing become necessary, would be:

	31.3.18 Actual	2017/18 Limit	Complied
Upper limit on fixed interest rate exposure	0	100%	✓
Upper limit on variable interest rate exposure	0	100%	✓

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate should borrowing become necessary, would be:

	31.3.18 Actual	Upper Limit	Lower Limit	Complied
Under 12 months	0%	100%	0%	✓
12 months and within 24 months	0%	100%	0%	✓
24 months and within 5 years	0%	100%	0%	✓
5 years and within 10 years	0%	100%	0%	✓

10 years and above	0%	100%	0%	✓
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Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2017/18	2018/19	2019/20
Limit on principal invested beyond year end	1m	1m	1m
Complied	✓		

There were no investments made beyond 364 days in 2017/18

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REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

SUPPLEMENTARY CAPITAL ESTIMATE

1. PURPOSE OF THE REPORT

- 1.1 To request a supplementary capital estimate of £26,500 to purchase a replacement vehicle for use within the Parks and Countryside Team.

2. RECOMMENDATION

That the supplementary capital estimate be approved.

3. SUMMARY OF KEY ISSUES

- 3.1 Provision was made in the 2017 / 18 Capital Programme for a replacement flatbed vehicle to be utilised within the Parks and Countryside team as part of its rolling replacement programme. The project did not progress as originally planned and in line with revised guidance for capital projects; the budget provisioned was put back into reserves until the project could be re-considered by Members. **APPENDIX 1** to this report provides an overview of project.
- 3.2 If approved, the supplementary capital budget will be used to replace a 15 year old vehicle that is becoming unreliable and has reached the end of its useful life. It is normal for the Council to replace one of its fleet each year but for 2018 / 19 no budget bid was put forward and it is therefore necessary to seek a supplementary capital estimate.
- 3.3 It is the view of Officers that the replacement of this vehicle will become operationally critical over the next financial year.

4. CONCLUSION

- 4.1 That approval of this supplementary estimate will enable one elderly vehicle to be replaced and ensuring that operations are not adversely effected.

5. IMPACT ON CORPORATE GOALS

- 5.1 The adherence to the Financial Regulations and Financial Procedures contributes towards the corporate goal of ‘Delivering good quality, cost effective and valuable services’.

6. IMPLICATIONS

- (i) **Impact on Customers** – The provision of a good fleet of vehicles helps to ensure that the Council’s parks and open spaces are maintained to a suitable standard.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – Although no corporate risks have been identified, if the old vehicle is not replaced it is likely that it will cause operational disruption over the next financial year or require more expensive repairs / maintenance.
- (iv) **Impact on Resources (financial)** – The sum of £26,500 is sought. Quotations will be obtained in line with the Council’s contract procedure rules.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None identified

Background Papers: None.

Enquiries to:

Ben Brown, Group Manager - Leisure, Countryside and Tourism, (Tel: 01621 876210).

CAPITAL PROJECT SHEET

Please note that this capital project sheet will be appended to the relevant Committee Report in the November cycle, therefore everything you put in the form will be shown in the public domain.

Project Name & Location <i>(Enter a meaningful title for the project and provide details of the location of the project)</i>	Replacement of Vehicles and Equipment
Project Category <ul style="list-style-type: none"> • Essential (E) • Service failure (SF) • Service improvement (SI) 	Service Improvement
Project Lead Officer	Ben Brown
Project Description <i>(Clearly set out what the overall purpose and main aims of the project are)</i>	The Council replaces 1 of the vehicles used by the Parks and Countryside Team each year to ensure that they are all fit for purpose and reliable. This project seeks to replace the eldest transit type vehicle within the fleet with a new model. A further vehicle will be required in 2019-20.
Project Start Date <i>(Month and year)</i>	Sep-18
Project Completion Date <i>(Month and year)</i>	Mar-19
Resource Implications <i>(Identify what resources are needed (i.e. staff time, contractor resources))</i>	Staff time to develop specification and carry out procurement exercise
Picture <i>(Insert a picture in relation to the project (i.e. the defective site, the area for improvement, the asset due for replacement))</i>	To Follow

	Capital Expense	Revenue Implications		External Funding	
		One-off	On-going	Amount	Source
	£	£	£	£	
2018/19	26,500				
2019/20					
2020/21					
TOTAL	26,500	0	0	0	0

CAPITAL PROJECT SHEET

<p>Describe links to Corporate Goals</p> <p><i>Corporate goals:</i> 1) <i>Helping communities to be safe, active and healthy</i> 2) <i>Protecting and shaping the District</i> <i>Creating opportunities for economic growth and prosperity</i> 4) <i>Delivering good quality, cost effective and valued services</i> 5) <i>Focusing on key projects</i></p>	<p>The provision parks and countryside services contributes directly to the Council's stated goal of helping communities be safe, active and healthy. The Promenade Park and other Council maintained facilities such as Riverside Park, are popular destination contributes 'providing opportunities for economic growth'. Provision of the necessary equipment and vehicles enable the facilities to be managed at appropriate levels.</p>
<p>Are any statutory consents required as part of this project? If so, please state (i.e. planning consent, MMO licence etc)</p>	<p style="text-align: center;">None</p>
<p>Are there Health & Safety implications? If so, please state</p>	<p style="text-align: center;">None directly</p>
<p>Is this part of a statutory obligation? If so, state how</p>	<p style="text-align: center;">None</p>
<p>Is the project contractually committed in any way? If so, please describe</p>	<p style="text-align: center;">No</p>
<p>Is there any linkage to other plans (i.e. business plan objectives)? If so, please provide details</p>	<p style="text-align: center;">Yes</p> <p>The provision of a good fleet of vehicles is critical to the teams ability to provide a good level of service throughout the Council's parks and open spaces.</p>

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**REPORT of
DIRECTOR OF RESOURCES**

to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018

STRATEGIC AND FINANCIAL PLANNING PROCESS

1. PURPOSE OF THE REPORT

1.1 To agree the annual Strategic and Financial Planning Process (S&FPP) for 2019 / 20.

2. RECOMMENDATION

That the Strategic and Financial Planning Process for 2019 / 20 as set out at **APPENDIX 1** be approved.

3. SUMMARY OF KEY ISSUES

3.1 The latest estimate of the budget gap in the Medium Term Financial Strategy (MTFS) is summarised below.

	2019 / 20	2020 / 21	2021 / 22
	£000	£000	£000
Funding Gap	(477)	(734)	(307)

3.2 The funding gap is significant and at the Council meeting on 7 June 2018 Members will consider two alternative models of transformation which will in turn deliver ongoing revenue savings. Both models will require significant initial investment to change our systems and processes and generate future revenue savings.

3.3 To summarise both models our approach to source efficiencies in the future will be via:

- alternative delivery model of our services, where practicable and there is a financial business case to do so.
- asset rationalisation regarding existing use of office buildings.
- effective use of assets – challenging the asset base and the use of assets and looking to manage and plan maintenance in the most effective way.
- improving efficiency where possible but the scale of the financial constraint will almost certainly require reductions in services.
- exploring new areas of income generation activities.
- smarter procurement processes and ways of working.

- the Council uses a number of service review methods to identify efficiency savings, for example, best value reviews, benchmarking performance with other authorities, testing costs in a range of alternative service delivery options.

3.4 The S&FPP and timetable is attached at **APPENDIX 1**.

3.5 The timetable includes a number of opportunities where Members can have a direct influence to the budget setting process (highlighted **bold** in **APPENDIX 1**).

3.6 It is suggested that there will be two Member Seminars, one in September and one in November. All Members will be invited to attend to receive an update on the transformation programme in September with further savings options and capital items being presented in November. There will be regular reporting on the budget setting process back to this Committee throughout 2018 / 19.

4. CONCLUSION

4.1 The proposed framework will drive the budget process for 2019 / 20.

5. IMPACT ON CORPORATE GOALS

5.1 The S&FPP will contribute towards our corporate goal “Delivering good quality, cost effective and valuable services”.

5.2 The proposed process and timetable is designed to ensure that resources are directed towards the achievement of Council goals, vision, and that decisions follow a logical order.

6. IMPLICATIONS

- (i) **Impact on Customers** – Consultations will be undertaken to listen to the views of customers and the community with the aim of responding to their needs where possible.
- (ii) **Impact on Equalities** – Due regard to equality impact will be taken when making decisions arising from the S&FPP.
- (iii) **Impact on Risk** – The implementation of the S&FPP is designed to minimise the risk of not having a robust Medium Term Financial Strategy.
- (iv) **Impact on resources (financial)** – The process provides a framework for allocating resources.
- (v) **Impact on Resources (human)** – None arising from this report.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Emma Foy, Director of Resources, (Tel: 01621 875762).

Strategic and Financial Planning Process 2019-20

Target Date	Action	Responsibility
16/05/2018	Presentation to Members of the Corporate Leadership Team (CLT) and Ignite potential models for future transformation.	CLT
23/05/2018	Approval of the Strategic and Financial Planning timetable by Corporate Leadership Team (CLT)	Director of Resources (DoR)
31/05/2018	Feedback to Leader and Deputy Leader on CLT work on service choices	CLT
06/06/2018	Meeting with Finance Manager, Revenues and Benefits, Planning Policy, Housing and Economic Development to discuss housing and business development trajectories	Finance Manager
07/06/2018	Special Council meeting to make decision on model for future transformation.	Council
12/06/2018	Detailed presentation to the Finance and Corporate Services Committee (F&CS) of 2017/18 outturn and Strategic and Financial Planning Process (SFPP) to be approved at F&CS.	F&CS
30/06/2018	Special Council meeting to make decision on leadership model.	Council
30/06/2018	CLT discussion on fees and charges policy for 2019/20 with meeting dates arranged for any working groups required.	Corporate Leadership Team
30/06/2018	Service alterations and reduction options to be presented at CLT.	Corporate Leadership Team
June MTFS update	June Medium Term Financial Statement (MTFS) update provided to G6	Director of Resources
05/07/2018	Asset Management Working Group to discuss 2019/20 capital programme put forward as part of 18/19 budget setting process	Director of Resources
08/07/2018	CLT to consider draft MTFS (funding position incl. New Homes Bonus) and budget guidance	Corporate Leadership Team
July MTFS update	June MTFS update provided to Leader, Deputy Leader, CLT, Heads of Programme Committees	Director of Resources
July meeting cycle/ September Meeting Cycle	F&CS to receive a MTFS update, set guidance on the principles of the 19/20 budget setting process (incl. savings target), with potential of expression of interest policy or any other changes to employment policies as recommended by Ignite.	F&CS & CLT
July Meeting Cycle - 24 July	Special Council - Make decision on CLT model	Corporate Leadership Team
31/07/2018	Issue of budget guidance including fees and charges to Directors and managers	Corporate Leadership Team
August MTFS update	August MTFS update provided to CLT and G6	Director of Resources
Early September 2018	Return of detailed capital bids, revenue growth, savings, fees and charges	Corporate Leadership Team

Target Date	Action	Responsibility
18/09/2018	Budget challenge by CLT and members with further member stakeholder session	Corporate Leadership Team
September MTFS update	September MTFS update provided to G6	Director of Resources
October meeting cycle	Review of the fees and charges policy by the Community Services Committee	Director of C&C
October meeting cycle	Review of the fees and charges policy by the Planning and Licensing Committee	Director of P&R
Early October	Meeting with relevant Committee Chairmen on Capital and Revenue proposals - Star Chamber	CLT
Early October	New capital Proposals to be reviewed in details by the Asset Management Working Group (AMWG)	AMWG & Director of Resources
25/10/2018	Member Seminar - Budget Challenge on the savings proposals and Ignite workplan	CLT
22/11/2018	Member Seminar - Budget update assuming settlement numbers	CLT
November 2018 (TBC)	Autumn Budget Statement	Director of Resources
November meeting cycle	New capital bids & Fees and charges to be considered by Planning and Licensing Committee	Director of P&R
November meeting cycle	New capital bids & Fees and charges to be considered by Community Services Committee	Director of Customers and Community
November meeting cycle	Approval of the Capital bids by F&CS	F&CS & Director of Resources
January 2019	Budget consultation with business ratepayers	Director of Resources
January meeting cycle	F&CS to consider and approve: - 2019/20 revenue Budget, Fees and Charges, Growth and Savings - Medium Term Financial Strategy - Treasury Management and Investment Strategy - Recommendation of Council Tax for 2019/20	F&CS & Director of Resources
February Council	Council to receive: - 2019/20 Leader's Budget Speech Council to consider and approve: - 2019/20 budget, Council Tax Setting, fees and charges	Council & DoR

Target Date	Action	Responsibility
March meeting cycle	F&CS to approve final 2019/20 Council Tax (incl. preceptors information)	F&CS & Director of Resources

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**REPORT of
DIRECTOR OF CUSTOMERS AND COMMUNITY**

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

PROPOSALS FOR CHANGE TO OFFICE OPENING TIME TO PUBLIC

1. PURPOSE OF THE REPORT

- 1.1 To update Members on the outcome of a three month trial of a revised opening time to the public of 10 am on the last Wednesday of every month.
- 1.2 To seek Member approval to make this revised opening time permanent.

2. RECOMMENDATION

That following a successful three month trial, Members approve a revised Council Offices opening time of 10am on the last Wednesday of each month to enable staff meetings and training to be undertaken during that time and improve the overall service to our customers.

3. SUMMARY OF KEY ISSUES

3.1 Background

- 3.1.1 In November 2017 Members agreed a three month trial of a revised opening time once a month to enable:
 - improved communications between Managers and Staff, including Team meetings and one to one discussions;
 - opportunities for staff training;
 - staff briefings by the Corporate Leadership Team (CLT).
- 3.1.2 Creating a monthly opportunity to undertake meetings whilst the office is not open to the public improves the overall service being provided by:
 - reducing the incidence of team meeting taking place whilst the public are trying to contact us, thereby minimising the impact upon customers through increased staff availability;
 - enabling the Council to provide a better overall service to the customer by creating a regular opportunity for staff training and engagement.

3.1.3 Creating an opportunity for the Corporate Leadership Team to undertake staff briefings is also vital as we embark on a significant transformation journey to meet the financial challenges that we are facing.

3.2 **Outcome of the Trial**

3.2.1 The three month trial commenced on 25 March 2018, with a revised opening time of 10am for both telephone and face to face enquiries on the last Wednesday of each month and has been very successful.

3.2.2 There have been no significant issues, with most members of the public appearing to being aware of the revised opening time.

3.2.3 There has been early engagement with partners, and a clear communications plan was developed, including updates on our website, twitter, press releases and email banners.

3.2.4 An analysis of the way in which staff utilised the later opening time showed that:

- In March 82% of team managers' reported that staff used the later opening time to attend the staff briefing from CLT in our reception area on the Future Council Model (FCM) project and in additionally 25 % of teams also squeezed in a team meeting as well.
- In April 52% of team managers reported using the time to undertake staff meetings or training.
- In May another CLT briefing for all staff is planned which will fall during the later opening period.

3.2.5 Some learning has come out for the trial, including the need to have clearer external signage to direct the customers of our partners who have an urgent issue, improvements to our out of hours telephone message and improvements to arrangements to admitting visitors to the building outside of our public opening times. All of these issues have now been addressed.

3.2.6 As there is only a two week gap between the date of the report being considered by Members and the next late opening date, in order to ensure that Customers had adequate notice of any changes to the late opening arrangements it was agreed by the Director of Customers and Community in consultation with the Chairman of the Finance and Corporate Services Committee that we would provisionally advertise the next few months late opening dates to avoid any confusion.

3.2.7 If Members decide not to continue with the revised opening arrangements we will revert to our previous 8.30am opening from July 2018 and partners and members of the public will be notified as required.

4. **CONCLUSION**

4.1 The trial has been very successful with good use of the time prior to the late opening being used to undertake staff briefings, meetings and training.

- 4.2 The consolidated use of the time for meetings and training has improved the overall quality of service we are able to offer to customers at all other times, providing staff with an opportunity to undertake uninterrupted staff meetings and training.
- 4.3 It has provided opportunities for the Corporate Leadership Team to have regular staff briefings to ensure consistent communication on key priorities, and to ensure that staff are regularly updated on the FCM project.
- 4.4 Members are asked to make the trial a permanent arrangement, and from 27 June 2018 the offices will open at 10am on the last Wednesday of every month.

5. IMPACT ON CORPORATE GOALS

- 5.1 Introducing a later opening to the public to enable staff training and meetings to take place directly contributes to the Corporate Goal of Delivering good quality, cost effective and valued services

6. IMPLICATIONS

- (i) **Impact on Customers** – The change proposed would reduce the overall time the offices are open by 1.5 hours per month, however the quality of the service to the customer would be greatly enhanced if we utilised that time to ensure that staff briefings / team meetings and training were carried out, thereby minimising the time that officers were unavailable to deal with the public as a result of team meetings. It would also reduce the total number of hours that staff were not available to the public due to team meetings
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Failure to publicise the change adequately could result in customers attending the office when it is closed, leading to customer dissatisfaction and reputational damage. Failure to have a regular pattern of late opening that it is easy for customer to remember will make it difficult for the change to embed.
- (iv) **Impact on Resources (financial)** – None.
- (v) **Impact of Resources (human)** – Maximising the use of the late opening arrangements for team meetings / training and staff briefings would make more efficient use of staff time, and would improve the service to customers. It would also improve organisational communication, enabling consistent and clear messages to be delivered by the Corporate Leadership Team.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Sue Green, Group Manager (Customers), (Tel: 01621 875892).

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REPORT of LEADER OF THE COUNCIL

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

CHIEF EXECUTIVE'S PERFORMANCE APPRAISAL

1. PURPOSE OF THE REPORT

1.1 To update Members on progress of the Chief Executive's performance appraisal.

2. RECOMMENDATION

Members are asked to note this report.

3. SUMMARY OF KEY ISSUES

- 3.1 This report is for Members' information only and brought to the Committee at the request of the Chairman of this Committee.
- 3.2 The Council meeting of 1 November 2012 **RESOLVED** that the Leader of the Council and Chairman of the Finance and Corporate Services Committee undertake the Chief Executive's annual appraisal after consultation with the Chairmen of Programme Committees and the Leader of the Opposition (Minute No. 540 refers). The report suggested that in future this would be reported to the Finance and Corporate Services Committee.
- 3.3 The Leader and Deputy Leader of the Council undertook the Chief Executive's appraisal on 29 January 2018 and it was agreed that the following objectives be set for 2018 / 19:
- (i) to deliver cost savings of £960,000;
 - (ii) to deliver a senior management and middle management review and staff restructure by 09/18;
 - (iii) to deliver all capital and revenue projects on time to budget; and
 - (iv) to deliver outcome based cost effective engagement with all stakeholders, partnerships and third parties.
- 3.4 The Leader has subsequently consulted with the Leader of the Opposition, and those Programme Committee Chairmen that had not been previously been consulted, to confirm that they are content with the proposed objectives. The Leader has consulted with the Chairman of the Finance and Corporate Services Committee to confirm that he is happy that the Deputy Leader attended the appraisal meeting in his place.

- 3.5 Dates for performance reviews have been set at 7 May 2018, 5 November 2018 and 4 March 2019. A summary of progress against objectives, as reported at 7 May review meeting, is attached at **APPENDIX 1**.
- 3.6 Regarding prior objectives, following consultation with the Leader of the Opposition and the Programme Committee Chairmen, the previous Leader of the Council and Vice Chairman of the Finance and Corporate Services Committee had undertaken the Chief Executive's appraisal on 6 April 2017. The appraisal process included a review of the previous year's performance and considered objectives for the forthcoming year. The following objectives were discussed:-
- (i) Define what a positive corporate culture looks like in this organisation.
 - (ii) Increasing the awareness of the role of elected members amongst officers.
 - (iii) Continuing to embed and deliver Corporate Goals
 - (iv) Leading the Council into a financially sustainable position.
 - (v) Undertake a member and officer review of the SMR of 2013/14.
- 3.7 The Chief Executive shared those objectives with the incoming leadership on 15 May 17, soon after they took up their position. Due to the transition in leadership, the objectives were not then finalised until the most recent appraisal which took place on 29 January 2018, hence were not reported to the Finance and Corporate Services Committee in accordance with procedure.
- 3.8 There has been a breakdown in procedure in a number of areas, primarily due to the lack of clear procedural guidance on the process and the delay brought about by the change of leadership. It is proposed that the Council's procedure rules be updated to set out the requirements as follows:-
- a. The Leader of the Council and Chairman of the Finance and Corporate Services Committee undertake the annual Chief Executive's appraisal after consultation with the Chairmen of Programme Committees and the Leader of the Opposition.
 - b. The appraisal process will set objectives in accordance with the Joint Negotiating Committee for Local Authority Chief Executives National Salary Framework Conditions of Service Handbook, paragraph 4 which states that "*The process of setting objectives should be by agreement and the result should be to identify objectives which are relevant and challenging but achievable*".
 - c. The appraisal will take place soon after the Statutory Annual meeting of the Council.
 - d. The agreed objectives will be reported to the next meeting of the Finance and Corporate Services Committee.
 - e. Performance reviews against the agreed objectives will be undertaken at least every four months.

4. CONCLUSION

- 4.1 Clear arrangements for the Chief Executive's performance appraisal are required to provide clarity for all those concerned in the process.

5. IMPACT ON CORPORATE GOALS

- 5.1 The Chief Executive plays a key role in the corporate leadership of the Council and will contribute to the delivery of all corporate goals.

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (Financial)** – None.
- (v) **Impact on Resources (Human)** – Implementation of an annual performance development appraisal is good practice in managing the performance of all staff, including the Chief Executive and allows continuing development needs to be assessed and training and mentoring arrangements to be put in place, where required.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Councillor Mark Durham, Leader of the Council, (Tel: 01621 875761).

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Chief Executive Performance Appraisal Review

(i) To deliver cost savings of £960,000

Progress update:-

A report will go before the Council on 7th June to agree a pathway to meet the savings targets set out in the Council's Medium Term Financial Strategy. The report will seek approval to progress with either the Ignite Future Council model or an alternative "Plan B" option.

(ii) To deliver a senior management and middle management review and staff restructure by 09/18

Progress update:-

A review of the senior management and middle management structure will be delivered through either the Ignite Future Council programme or the Plan B option.

(iii) To deliver all capital and revenue projects on time to budget; and

Progress update:-

An objective to ensure delivery of capital and revenue projects on time to budget has been set for all Directors. Progress against this objective is reviewed during individual and directorate performance discussions.

Budget holders are required to explain any significant variances and any corrective action required. This commentary is included in quarterly revenue and capital budgetary control updates to the Finance and Corporate Services Committee.

(iv) To deliver outcome based cost effective engagement with all stakeholders, partnerships and third parties.

Progress update:-

A report will go before the June 28th meeting of the Council setting out the current significant partnerships in which Maldon District Council (MDC) is involved. The report will seek endorsement of Council's continued involvement in these partnerships.

For each strategic partnership the report will set out:-

- Purpose;
- Links to Key Corporate Activities / Corporate Risks,
- Lead partner,
- MDC lead officer,
- Member representatives,
- MDC resources committed,
- Achievements / benefits over the last year
- Reporting and monitoring.

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