



**MINUTES of
FINANCE AND CORPORATE SERVICES COMMITTEE
12 JUNE 2018**

PRESENT

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 and Rev. A E J Shrimpton
Substitute Member	Councillor B S Beale MBE
In attendance	Councillor Miss M R Lewis

163. CHAIRMAN'S NOTICES

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

164. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors M F L Durham and M S Heard.

In accordance with notice given it was noted that Councillor B S Beale MBE was attending as a substitute for Councillor Heard.

165. MINUTES OF THE LAST MEETING

RESOLVED that the Minutes of the meeting of the Committee held on 19 April 2018 be approved and confirmed.

166. DISCLOSURE OF INTEREST

Councillor D M Sismey disclosed that he was Managing Director of Goldman Sachs and would therefore leave the meeting for Agenda Item 12 – Annual Treasury Outturn 2017 / 18.

167. PUBLIC PARTICIPATION

No requests had been received.

168. CHAIRMANS' GOOD NEWS

The Chairman advised that the accounts for 2017 / 18 had been published and were now subject to an audit which had been started by Ernst Young UK (the Council's External Auditors).

He asked that the thanks of the Committee be passed to the finance team and Carrie Cox, Finance Manager for their hard work on the accounts.

169. RESOURCES DIRECTORATE

The Chairman advised that there would not be a presentation.

170. CHIEF EXECUTIVE'S PERFORMANCE APPRAISAL

It was agreed that this item of business would be brought up the agenda and considered next.

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

The report set out the process undertaken by the Leader of the Council in respect of the Chief Executive's appraisal. It was noted that dates for performance reviews had been set and Appendix 1 to the report provided a summary of progress against objectives.

In the absence of the Leader of the Council, Councillor A S Fluker as Deputy Leader of the Council presented the report and provided detailed background history regarding the Chief Executive's performance appraisal. During his introduction he asked that the Committee pass on their wishes to the Leader of the Council for a speedy recovery following an accident he had over the weekend. Councillor Fluker then proposed that the contents of the report be noted.

Councillor D M Sismey clarified that he had been consulted on the proposed objectives but was not consulted either before or afterwards regarding Councillor Fluker attending the appraisal meeting in his place. He also referred to the Chief Executive's objectives set for 2016 and felt that by virtue of Councillor Miss M R Lewis (Leader of the Council at that time) and Councillor I E Dobson (representing the Chairman of the Finance and Corporate Services Committee) being authorised by this Committee and the Council to undertake the appraisal these objectives were adopted and were not draft. Notwithstanding a change in leadership these objectives should therefore stand until another appraisal was carried out or replaced by updated ones.

Councillor B S Beale, Leader of the Opposition, referred to the previous processes undertaken for carrying out the Chief Executive's appraisal to which he had always been part of. However, in relation to the 2017 appraisal he clarified that had not been consulted at any stage and refuted the statement in the report at paragraph 3.4 that he had.

A lengthy debate ensued during which a number of Members expressed concern regarding the process undertaken. The Chairman highlighted paragraph 3.8 of the

report which contained a number of recommendations proposed to address the breakdown in procedure.

In response to comments made the Chief Executive outlined the background regarding her 2016 and 2017 appraisals and the reasons which had led to the identified breakdown in procedure. She advised that she had put forward the recommendations in section 3.8 of the report to make provide clarity to the process.

Councillor Sismey commented on the proposed recommendations at paragraph 3.8 and proposed that in addition to these that the Committee add;

- That the deadline for the Chief Executive's appraisal to be undertaken be aligned to the deadline for all staff of 30 June.
- that the Director of Resources or an appointment made by them from within the HR department be required to:
 - a) objectively ensure that the process for the Chief Executive's appraisal is followed;
 - b) report to the following meeting of the Finance and Corporate Services Committee immediately after the June deadline that the process has been followed and the appraisal taken place.

With the permission of the Chairman, Councillor Miss M R Lewis addressed the Committee and provided a detailed history regarding her undertaking of the Chief Executive's appraisal in 2016 when she was Leader of the Council. She pointed out a number of discrepancies within the report of the Leader of the Council and felt that it inferred that she had not carried out her duties and requirements as Leader of the Council which she had.

The Chairman requested that it be minuted that Members raised a number of questions over the accuracy of some of the historic elements of the report and emphasised the importance to make sure that the procedure was on a sound footing going forward.

Councillor Beale proposed that the Council receive an explanation as to how the current situation had occurred and the matter be referred to the Overview and Scrutiny Committee. In response the Chairman suggested that this would be best dealt with as a question to the Leader of the Council.

Councillor P G L Elliott commented on the report and suggested that going forward, prior to the Statutory Annual meeting of the Council, a final meeting for the municipal year be undertaken with the Chief Executive to review the objectives and identify any points of action. Then new objections could be set following the statutory annual meeting. The Chairman suggested that this could be covered by way of clarification to point (e) so that the third review meeting take place just before the end of the municipal year.

Councillor Elliott commented as it was clear that the process had not been followed that consideration of the report be deferred and brought back to the Committee following completion of the procedure. The Chairman agreed that in light of there being a query over the current objectives these should be renewed and going forward the process followed.

Following further discussion Councillor Sismey proposed that the Council's Procedure Rules be updated to set out the requirements (a) to (e), as detailed in section 3.8 of the report with the following amendments and additions:

- been that point (c) be amended as follows:
 - The appraisal will take place soon after the Statutory Annual meeting of the Council *and before 30 June*.
- that point (e) be amended as follows:
 - Performance reviews against the agreed objectives will be undertaken at least every four months *and an end of year review be undertaken prior to the Statutory Annual meeting of the Council*.
- that the Director of Resources or an appointment made by them from within the HR department be required to:
 - a) objectively ensure that the process for the Chief Executive's appraisal is followed
 - b) report to the following meeting of the Finance and Corporate Services Committee immediately after the June deadline that the process has followed and the appraisal taken place.

It was noted that this would be a recommendation to the Council as it involved a change to the Council's Procedure Rules.

He also proposed that the current objectives be renewed and brought back to a future meeting of this Committee.

This proposal was duly seconded and agreed.

RESOLVED

- (i) that the contents of the report be noted;
- (ii) that the current objectives be renewed and brought back to a future meeting of this Committee.

RECOMMENDED

- (iii) that the procedure rules be updated to set out the requirements (a) to (e), as detailed in section 3.8 of the report with the following amendments and additions:
 - that point (c) be amended as follows:
 - The appraisal will take place soon after the Statutory Annual meeting of the Council *and before 30 June*.
 - that point (e) be amended as follows:
 - Performance reviews against the agreed objectives will be undertaken at least every four months *and an end of year review be undertaken prior to the Statutory Annual meeting of the Council*.

- that the Director of Resources or an appropriate appointment of theirs in the HR department is required to:
 - objectively ensure that the process for the Chief Executive's appraisal is followed
 - report to the following meeting of the Finance and Corporate Services Committee immediately after the June deadline that the process has been followed and the appraisal has taken place.

Councillor Miss M R Lewis left the meeting at this point and did not return.

171. REVIEW OF PERFORMANCE 2017 / 18

The Committee considered the report of the Chief Executive giving details of performance against targets set for 2017 / 18 and to ensure that progress was being achieved towards the corporate goals and objectives detailed in the Corporate Plan 2015 - 19 adopted by the Council.

The Key Corporate Activities assessed as being “behind schedule” or “at risk of not being achieved” along with indicators which had not achieved their end of year target were set out in Appendix 1 to the report.

RESOLVED that performance against the targets set for 2017 / 18 be noted.

172. HUMAN RESOURCES STATISTICS - QUARTER FOUR 2017 / 18

The Committee received and noted the report of the Director of Resources presenting Human Resources statistics for the period 1 January to 31 March 2018.

Statistics and updates relating to the following areas were detailed in the report:

- Labour Turnover;
- Exit Questionnaires;
- Recruitment;
- Job Vacancies;
- Staff Sickness Levels
- Workforce Statistics – attached as Appendix 1 to the report.

Members noted that the overall staff sickness levels had decreased by 20% in comparison to the previous financial year.

RESOLVED that the contents of the report be noted.

173. 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.

The report set out a proposed change to the Council's Code of Conduct and it was noted that this change had been brought forward in consultation with the Corporate Leadership Team and Unison.

In response to a question, the Director of Resources informed the Committee of the Employee Assistance Programme, a confidential service available to all employees and advised that as part of the policy staff were asked to raise any difficulties they may be having with Human Resources.

RECOMMENDED that the following two sections be added to the Code of Conduct:

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.

174. ANNUAL REPORT ON THE WHISTLEBLOWING POLICY

The Committee considered the report of the Director of Resources reporting on any complaints made under the Whistleblowing Policy for 2017 / 18.

The Director of Resources advised that no reports had been made under the Whistleblowing for the year 2017 / 18.

RESOLVED that the content of the report be noted.

175. FINANCIAL OUTTURN 2017 / 18

The Committee received the report of the Director of Resources providing information on the outturn position for the 2017 / 18 financial year and also movements in relation to the Council's General Fund / Earmarked Reserves and Capital Commitments as at 31 March 2018. It was noted that the table detailed in paragraph 3.1.2 of the report incorrectly referred to the figures as being in thousands (£000's). Appendix 1 to the report gave details of the salary budgets and actual expenditure at the end of the financial year and Appendix 2 detailed the Earmarked Reserves and the movements in 2017 / 18.

RESOLVED

- (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.

Following his earlier declaration Councillor D M Sismey left the meeting at this point.

IN THE CHAIR : COUNCILLOR I E DOBSON

176. ANNUAL TREASURY OUTTURN 2017 / 18

The Committee considered the report of the Director of Resources seeking Members' approval of the annual report (attached as Appendix A to the report), in accordance with the code of practice on Treasury Management.

In response to a question, the Finance Manager advised that Arlingclose were the Council's Treasury Management Advisors and had been so for a number of years.

In response to questions about the recent agreement of the Council regarding Full Council Transformation, the Director of Resources advised of the up-front investment required which would come from reserves. However, savings were due to be delivered in respect of this in year two.

RECOMMENDED that annual Treasury Management Report for 2017 / 18 attached at **APPENDIX 1** to these Minutes be approved.

Councillor Sismey returned to the chamber.

IN THE CHAIR : COUNCILLOR D M SISMEY

177. SUPPLEMENTARY CAPITAL ESTIMATE

The Committee considered the report of the Director of Resources, seeking Members' approval of a supplementary capital estimate of £26,500 to purchase a replacement vehicle for use within the Parks and Countryside Team. An overview to the project was attached as Appendix 1 to the report.

It was noted that if approved, the supplementary estimate would enable replacement of an elderly vehicle and ensure operations were not adversely effected.

Members were reminded that in accordance with revised guidance for capital projects, any budget not provisioned in the year it was requested would be put back into reserves until a project was reconsidered by Members. This project did not progress as originally planned and therefore was being brought back to Members for reconsideration.

RESOLVED that a supplementary capital estimate of £26,500 to purchase a replacement vehicle for use within the Parks and Countryside Team be agreed.

178. STRATEGIC AND FINANCIAL PLANNING PROCESS

The Committee received the report of the Director of Resources seeking agreement to the annual Strategic and Financial Planning Process (S&FPP) for 2018 / 20 as set out in Appendix 1 to the report.

It was noted that the Strategic and Financial Planning Process aimed to ensure available resources were effectively directed towards achievement of the Council's agreed corporate goals.

RESOLVED that the Strategic and Financial Planning Process for 2019 / 20, be approved.

179. PROPOSALS TO CHANGE TO OFFICE OPENING TIME TO PUBLIC

The Committee considered the report of the Director of Customers and Community, updating Members on the outcome of a three month trial of a revised opening time to

the public of 10am on the last Wednesday of each month. The report sought Members' approval to make this revised opening time permanent.

The report provided background information regarding the trial and it was noted that it had been very successful with good use of the time to undertake staff briefings, meetings and training.

It was requested that the Committee receive quarterly or six monthly reports on the outcomes of these changes.

RECOMMENDED that on the last Wednesday of each month the Council Offices open at 10am to enable staff meetings and training to be undertaken during that time.

There being no further items of business the Chairman closed the meeting at 8.28 pm.

D M SISMEY
CHAIRMAN