

AGENDA

Employment panel

Date: Friday 23 September 2016

Time: **2.00 pm**

Place: Committee Room 1, Shire Hall, St. Peter's Square,

Hereford

Notes: Please note the time, date and venue of the meeting.

For any further information please contact:

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Agenda for the meeting of the Employment panel

Membership

Chairman Councillor AW Johnson Vice-Chairman Councillor PM Morgan

Councillor H Bramer Councillor RI Matthews Councillor AJW Powers

AGENDA

Pages 1. **APOLOGIES FOR ABSENCE** To receive any apologies for absence. 2. NAMED SUBSTITUTES (IF ANY) To receive details of any member nominated to attend the meeting in place of a member of the panel. **DECLARATIONS OF INTEREST** 3. To receive any declarations of interest by members in respect of items on this agenda. 7 - 10 **MINUTES** 4. To approve and sign the minutes of the meeting held on Tuesday 10 May 2016. 5. **DESIGNATION OF SECTION 151 OFFICER** 11 - 18 To recommend to Council the designation of a post as section 151 officer. **DATE OF NEXT MEETING** The date of the next scheduled meeting is Wednesday 12 October 2016.

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- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the council and all committees and sub-committees and written statements of decisions taken by the cabinet or individual cabinet members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Employment Panel held at Committee Room 1, Shire Hall, St Peter's Square, Hereford, HR1 2HX on Tuesday 10 May 2016 at 2.30 pm

Present: Councillor AW Johnson (Chairman)

Councillor PM Morgan (Vice-Chairman)

Councillors: WLS Bowen, AJW Powers and PD Price

Officers: Annie Brookes, Geoff Hughes, Alistair Neill, Bob Perks and Natalia Silver

15. APOLOGIES FOR ABSENCE

Apologies had been received from Councillors H Bramer and RI Matthews.

16. NAMED SUBSTITUTES

Councillor PD Price substituted for Councillor H Bramer, and Councillor WLS Bowen substituted for Councillor RI Matthews.

17. DECLARATIONS OF INTEREST

No declarations of interest were made.

18. MINUTES

The minutes of the last meeting were received.

RESOLVED: That the minutes of the meeting held on 18 January 2016 be approved as a correct record.

19. CONFIRMATION OF DESIGNATION OF STATUTORY OFFICER (MONITORING OFFICER)

The assistant director communities presented the report and attention was drawn to the following key points:

- a. The purpose of this item was to consider permanent arrangements for the designation of a post as monitoring officer. It was noted that the 'monitoring officer' was a particular set of functions which could be attributed to an existing role.
- b. On 11 September 2015 (<u>minute 9</u>), the employment panel had recommended to Council that 'the post of deputy solicitor to the council people and regulatory be designated monitoring officer for an interim period of up to nine months from the date of approval'. Full council had agreed this recommendation on 25 September 2015 (<u>minute 28</u>).
- c. During the course of the review period, several options had been explored in terms of how the authority could operate the various functions and these were detailed in the report.
- d. Key stakeholders were engaged as part of the process and the majority were in favour of the interim arrangement being made permanent. Reflecting this, the recommendation of the report was that the post of solicitor to the council be designated as monitoring officer.

- e. The alternative options, an external appointment process to recruit from outside of the council or sharing the function of monitoring officer with another authority, were outlined.
- f. Attention was drawn to the financial implications section of the report. It was explained that, working within the limitations of the current pay policy, an initial assessment envisaged that the proportion of responsibilities and accountabilities would be 60% for the post of solicitor to the council and 40% for the functions of monitoring officer. Recognising the importance and level of responsibility of the monitoring officer, further work had been undertaken since the publication of the report. Consequently, the ratio had been amended to 30% for the post of solicitor to the council and to 70% for the functions of monitoring officer. It was reported that this would change the structure of the salary for the proposed permanent arrangement.

The chairman invited comments from panel members.

The vice-chairman considered the proposal to be an intelligent way forward and this approach could be considered for some other roles where appropriate.

A panel member questioned whether the authority could be confident that the demands upon legal services would not put too much of a burden on this post, dealing with external events as solicitor to the council at the same time as internal functions as monitoring officer. In response, the chief executive made the following points:

- i. The arrangement had been put in place for an interim period for evaluation and it was considered manageable, hence the recommendation of making it permanent going forward;
- ii. Other authorities operated a similar arrangement;
- iii. There was a tendency to refer many matters to the monitoring officer and any post holder would need to be robust and pragmatic about the work that could be undertaken and the timescales involved; and
- iv. Good mentoring support had been put in place which had been effective.

The panel member recognised the value of the interim period and complimented the incumbent. However, it was questioned whether the other authorities referred to had comparable support within legal services or whether Herefordshire Council was in a more constrained position. The assistant director communities acknowledged that there had been some pressure points in legal services and advised that, as part of the communities division restructure, relationships with directorates would alter (through service level agreements and priority lists) and additional support would be put in place. The director of economy, communities and corporate added that the broader capacity of the legal team had been strengthened in the restructure and recruitment was underway for some of the posts created in order to provide additional capacity.

A panel member sought clarification about the financial implications. The director of economy, communities and corporate explained the limitations of the current pay policy, especially the absence of points between HC13 and HoS2 (head of service) grades. The approach in this case involved a percentage of the role being graded at a lower rate (the post of solicitor to the council, HC13) and a percentage of the role being graded at a higher rate (the functions of monitoring officer, HoS2. Since the report had been published and following consideration of further information, the percentages had been revised from 60% / 40% to 30% / 70%, respectively.

In response to a question from a panel member, the interim head of HR and organisational development did not consider that this approach set a precedent given the particular circumstances of the situation and the specific problem identified in the salary

structure. The chief executive added that a permanent head of HR and organisational development would join the authority shortly and an early task would be to strengthen the pay policy in this area. The head of corporate governance advised the panel that all roles were evaluated through an independent process and it was proposed to align two separate functions within a single role in this instance.

Another panel member considered the recommendation a fair and sensible way forward.

The chairman noted the advantages of making permanent the interim arrangements but questioned what the approach might be if an external appointment process was pursued. The director of economy, communities and corporate commented that the authority would need to take a view about what duties it would go to the market with.

In response to further comments from panel members, the director of economy, communities and corporate confirmed that it was the impact of the reassessment of the level of responsibility that had resulted in the percentages being revised.

RESOLVED: That it be recommended to Council that the post of solicitor to the council be designated as monitoring officer for Herefordshire Council.

The meeting ended at 2.46 pm

CHAIRMAN



Meeting:	Employment panel
Meeting date:	23 September 2016
Title of report:	Designation of section 151 officer
Report by:	Director for economy, communities and corporate

Classification

Open

Key decision

This is not an executive decision.

Wards affected

Countywide

Purpose

To recommend to Council the designation of a post as section 151 officer.

Recommendation(s)

That:

(a) it be recommended to Council that the interim director of resources (name to be advised) be designated as section 151 officer to the council.

Alternative options

- It is a statutory requirement that the council appoints a section 151 officer. Whilst it is open to Council to designate this function to another post (excluding the monitoring officer), this is not recommended given the need to maintain a clear focus on delivery of the medium term financial strategy.
- The council could consider entering into a 'shared' section 151 officer arrangement with another council. This is not recommended given the need to maintain a clear focus on delivery of the medium term financial strategy; the unknown level of interest in such an arrangement amongst neighbouring councils facing similar financial challenges, and the length of time such negotiations would take.

Reasons for recommendations

To ensure effective leadership of the council's budget planning process, on-going financial management, and to meet statutory requirements. The designation of a post as section 151 officer is reserved to Council.

Key considerations

- The council's director of resources resigned with effect from 2 September 2016; he held the statutory role of section 151 officer; pending either interim or permanent recruitment to the role the responsibilities are being fulfilled by the head of corporate finance (deputy section 151 officer).
- It is the intention to appoint to this role permanently, however given the need to maintain momentum regarding delivery of the medium term financial strategy and to ensure the section 151 role is met in full, it is vital that the council has an experienced director of resources in position to lead a challenging budget setting process. It is proposed therefore to appoint an experienced interim for a period of up to six months whilst the process of recruiting permanently is progressed.
- The council's constitution delegates authority to the chief executive, as head of paid service, to make interim appointments to senior management positions; however the designation of a post as section 151 officer remains reserved to Council.
- The selection of an interim appointee is underway, in accordance with the council's contract procedure rules and recruitment and selection policies, and the outcome of that process will be reported verbally to the panel, who are asked to recommend to Council the designation of that appointee as section 151 officer.
- To ensure maximum focus on the section 151 officer role and delivery of the medium term financial strategy some adjustments have been made to the role profile for the interim post which will not have responsibility for HR (which will instead report to the director for economy, communities and corporate) or be managing director designate for Hoople (which will be a matter for the Hoople board to determine). The revised interim role profile is at appendix 1 for information.

Community impact

9 Working with the council's management board and members, this role will ensure that the council's directorates and services are supported to meet the challenges imposed by financial reductions and will ensure the council meets its statutory duties.

Equality duty

The council's recruitment and selection policies and procedures ensure that the council meets its public sector equality duties.

Financial implications

11 The establishment budget for the director of resources post is available to support the interim appointment in 2016/17, but indicatively there will be an in-year budget pressure of up to £20k (assuming a 6 month interim appointment) over and above the establishment budget. This pressure will be addressed through underspends across the ECC directorate.

Legal implications

- Section 151 of the Local Government Act 1972 requires all councils to 'make arrangements for the proper administration of their financial affairs' and to 'secure that one of their officers has responsibility for the administration of those affairs.
- Under Part 3 of the council's constitution, the duty to designate an officer as the section 151 officer is reserved to full Council. Under the council's employment rules arrangements for the appointment of a statutory chief officer is to be made by the employment panel, which also approves the terms and conditions of employment, and make a recommendation to full Council.

Risk management

- If the council does not have statutory officers in post there is a risk that focus will be lost on fulfilment of key statutory duties. This risk is mitigated by statutory officers having appointed or designated deputies who are qualified, capable, and authorised to act in their absence. The head of paid service is authorised to make interim appointments to fill key senior manager posts pending permanent recruitment.
- There is a risk that the council is unable to make an interim appointment; early indications on the level and quality of applicants suggest this risk is low; should an appointment not be made before the panel meeting a further search will be undertaken and the existing arrangements covering the section 151 responsibilities will remain in place.

Consultees

16 None.

Appendices

Appendix 1: Interim director of resources role profile

Background papers

None identified.



Role Profile: Director of Resources (Section 151 Officer)

Reports To: Director for Economy, Communities and Corporate

Direct Reports: Head of Corporate Finance (deputy S151 Officer), Head of Management Accounting, Finance Business Partner, Head of Corporate Asset Management

Role purpose: To lead the delivery of a broad range of corporate services to meet customer and community needs and the overall Herefordshire Council strategy. The role will raise service quality and achieve value-formoney by managing resources in the most effective and efficient way.

Accountabilities specific to the role

Section 151 Officer

- Take overall responsibility for the proper administration of Herefordshire Council's financial affairs including an effective audit function
- Lead the development of the authority budget process against a background of needing to make further significant savings,
- Working with cabinet, members, and management board lead the development of the medium term financial plan ensuring the allocation of resources to deliver the councils priorities, and maintaining adequate levels of reserves and ensuring demonstration of value for money when compared with statistical neighbours
- Give assurance to Council on the deliverability of proposed budgets and that the council can operate legally within its overall financial resources.
- Working with the Monitoring Officer, support the effective governance of the authority through the development of corporate governance arrangements, risk management and reporting frameworks and decision making arrangements
- Ensure the delivery of effective audit and assurance arrangements including an effective audit & governance committee

Financial services

- Hold directors and senior managers to account for delivery against financial plans
- Produce recommendations on cost savings and efficiencies through critically analysing the budget, current and historical spend. Undertake benchmarking and modeling demand/cost trajectories to inform the plan which must integrate within the overall corporate planning cycle and evidence base.
- Ensure the provision of high and quality of financial support to the organisation; giving strategic, professional financial advice.
- Develop, implement and review Herefordshire's capital and property investment strategies; treasury management strategies, policies and procedures; and, financial management policies, procedures and practices
- Ensure the effective discharge of Herefordshire's financial obligations as accountable body in externally funded programmes.
- Develop, implement and review final accounts procedures so the annual statement of accounts is produced accurately and on time. This will include compliance with the International Financial Reporting Standards.
- Ensure maintenance of key corporate financial databases and systems.
- Lead on the development, implementation and review of financial and performance monitoring arrangements to ensure accurate information is available when needed for Herefordshire's formal performance monitoring reports.

Property services

- Take overall responsibility for the effective use of the council's property and land portfolio
- Develop and maintain a dynamic corporate asset management plan, aligned to the objectives of the council, and in particular securing increased income generation, supporting the transition of services to local communities, maximising capital receipts, and stimulating growth and investment in the county
- Lead a review of the delivery model for property services (including facilities management) and implement any changes identified by the review
- Ensure effective programme and project management arrangements are in place to support delivery of the capital programme
- Ensure the council's statutory landlord functions are fulfilled effectively

Responsibilities and behaviours

- 1. As a management board member, lead the creation and implementation of the overall business strategy and operating model to achieve the vision for Herefordshire Council
- 2. Design and deliver value for money integrated public services and ensure attention to improving efficiency and robust cost management.
- 3. Ensure services are customer focused through effective community and user engagement in the commissioning of services.
- 4. Develop relationships with partner organisations to meet the needs of Herefordshire's communities collaborating with all sectors to continuously improve the quality of life in the county.
- 5. Assume accountability for directly managing integrated service delivery, managing conflicting priorities and driving the achievement of continuously improved locality-based customer outcomes.
- 6. Develop services managed with appropriate partners, spotting and taking advantage of external changes so resource utilisation is maximised in the long term.

Skills, knowledge and experience

- Member of a recognised accountancy body, qualified through examination, and subject to oversight by a professional body that upholds professional standards and exercises disciplinary powers.
- Substantial post qualification experience of working at a strategic level in a large complex organisation with a turnover of £100m +
- An experienced senior manager with a track record of delivering top quality public services and continuous improvement.
- A background of successfully leading multiple business units and meeting the needs of customers across diverse localities.
- The ability to translate corporate strategy into service delivery by generating clarity for others through exceptional leadership, organisational development and change management expertise.



- 7. Act as a figurehead for the service areas managed, liaising with Members, non-executive directors and senior individuals in external agencies, regionally and nationally, to influence agendas and increase inward investment
- 8. Promote Herefordshire to all key stakeholders to ensure the county is positioned successfully for increased inward investment and policy consideration. Manage the investment in relationships made by Herefordshire Council to deliver the best possible return.
- 9. Support Members by providing the highest quality advice and guidance on areas of policy and strategy, ensuring that Members are appraised about issues to enable informed decision making in line with the Herefordshire Council vision and priorities.
- 10. Safeguarding and promoting the welfare of children, young people and vulnerable adults. Ensuring that that staff are aware of the Herefordshire Safeguarding procedures for sharing information about the welfare of any person for whom they have safeguarding concerns. Ensuring that staff attend training to enable them to recognise the indicators for concerning behaviour and receive safeguarding supervision as appropriate.
- 11. Drive appropriate organisational improvement and transformation; and lead cultural and policy change in line with the council's vision and values.
- 12. Provide exemplary leadership ensuring behaviours meet organisational values and creates a working environment where employees are empowered and can deliver their best; holding others accountable for their decisions.
- 13. Set and manage ambitious performance expectations, recognising success and taking timely remedial action; keeping stakeholders informed of progress against targets.
- 14. Establish appropriate performance standards and determine priorities for resource allocation to meet clearly defined customer expectations.
- 15. Ensure the provision of expert technical advice by service areas to senior leaders and partner organisations.
- 16. Create an environment where learning, innovation and the application of new ideas flourish resulting in significant improvements to service delivery.
- 17. Take responsibility for managing risks and resolving issues that may have a significant impact on the council.
- 18. Understand and meet all required legislation and governance to deliver the required service standards.

- Demonstrable achievement of value for money for customers with a strong focus on maximising a return from available resources
- A leader who engages and enables others to deliver their best.
- Knowledge of commissioning-based service models and their application in a public service context.
- Ability to build partnership relationships and influence government policy.
- Literate in information and communications and digital technologies.
- A comprehensive professional/developmental track record, including relevant advanced theoretical and practical knowledge.

Employees and culture

- Employee engagement
- Working climate and employee motivation
- New ideas implemented
- Behaviour

Relationships

- Team feedback
- Policy influence to all stakeholders
- Senior management feedback
- Partner feedback

PERFORMANCE MEASURES

Customer Service

- Customer satisfaction/ service quality
- Quality of life in County
- Positioning resources for future success

Value for Money

- Resource utilisation (inc benchmarking)
- Cost reduction
- Service improvement

Council values: I aim to put PEOPLE at the heart of everything we do

People – treating people fairly, with compassion, respect and dignity

Excellence – striving for excellence and the appropriate quality of service, care and life in Herefordshire

Openness – being open, transparent and accountable

Partnership – working in partnership, and with all our diverse communities

Listening – actively listening to, understanding and taking into account people's views and needs

Environment – protecting and promoting our outstanding natural environment and heritage for the benefit of all.



Organisation competencies for this role

Customer and community focus

- Ensures that the organisation's vision, strategy, values, processes and systems are driven by customer needs
- Advocates customer or service user interests throughout the organisation
- Focuses resources to deliver value to customers or service users
- Empowers communities to participate in decision making about key local public services
- Leads the development of strategies that respond to the diverse needs of city, market town and rural localities
- Ensures that the organisation's vision, strategy, values, processes and systems are driven by customer needs
- Advocates customer or service user interests throughout the organisation

Delivering results

- Addresses multiple demands without losing focus or energy
- Directs efficient and effective use of the resources available
- · Drives operational and service improvements across the organisation
- Realistically estimates the resources required to deliver projects or programmes
- Sets challenging objectives to achieve high quality outcomes
- Effectively co-ordinates the activities of the whole organisation/business unit
- Ensures that service or directorate risks are recognised and dealt with promptly
- Reviews assurance framework on a timely basis
- Works to develop a risk aware culture across the organisation
- Reviews service and directorate risk registers on a timely basis
- Works to develop a risk aware culture across the organisation
- Conducts workforce planning to meet both current and future objectives
- Resolves any organisational issues that are barriers to performance
- Focuses both own and others' energy and time on priorities

Personal impact

- Creates a climate in which people feel confident to exercise their own judgement
- Leads on implementing environmental policy through all work areas
- Creates a sense of self belief, energy and pride in the organisation
- Establishes a positive health & safety culture which actively encourages ownership and accountability at all levels
- Creates a culture of inclusivity, regardless of social identity, background, preferences, beliefs, or values
- Promotes an appropriate work-life balance across the organisation
- Creates an atmosphere of trust and shared commitment
- Shapes organisational values and sets a personal example by aligning own behaviour with these
- Inspires others to achieve the organisation's vision
- Successfully and confidently handles complex personnel issues
- Behaves with integrity, demonstrating clear and appropriate personal values
- Demonstrates a clear drive and passion for leading others

Driving change and innovation

- Identifies and recommends alternative service delivery models
- Creates a climate where innovation and change can flourish
- Anticipates future changes to the wider business environment
- Seeks and promotes innovation to take the organisation forward
- Produces creative solutions to broad issues
- Initiates, drives and supports organisational change
- Provides support to employees during periods of change and uncertainty
- Encourages open discussion and debate across all levels of the organisation about changes ahead

Making decisions

- Consults with representative groups when formulating strategy
- Involves other agencies in order to make effective decisions
- Ensures effective decision making processes are in place throughout the organisation

Team, matrix and partnership working

- Establishes effective working relationships with people across different levels and functions of the organisation
- Celebrates organisational successes
- Forms strategic partnerships for the benefit of both the organisation and the community
- Acknowledges other people's contributions by encouraging them to take credit for their own work
- Is approachable and supportive in their dealings with others
- Resolves conflict and friction where it occurs
- Supports the activities of cross-functional and multi-organisational teams
- Builds an effective management team with complementary strengths

Communicating and engaging effectively

- Promotes the role of the organisation within the wider community
- Ensures that relevant and reliable information about the organisation's customers is openly shared with the appropriate stakeholders
- Shapes communication strategies to take into account city, market town and rural localities
- Expresses complex issues and information clearly, using appropriate language
- Develops policies, strategy and a culture which support open communication
- Communicates appropriately with the media
- Successfully uses negotiation skills and tactics to move the agenda forwards

Building capability

- Creates a culture of continuous learning and development
- Responds positively to constructive feedback on themselves or the organisation
- Creates opportunities for the organisation to develop new capabilities
- Proactively identifies and encourages talented individuals
- Assesses the organisation's capabilities and development needs

Organisational, commercial and political awareness

- Actively scans the external environment to spot future opportunities and threats to the organisation
- Relates to national and local political drivers to inform strategic corporate thinking
- Monitors compliance with legislation and professional and organisational codes of conduct
- Forges strong working relationships with high level stakeholders (e.g., Elected Members, Non-Executives and representative bodies)
- Works with elected members to ensure strong and visible leadership and direction
- Leads the development of workable strategies to deliver the political objectives set by the councillors.
- Demonstrates a sound understanding of political drivers and central government procedures and their relationship to public services
- Contributes significantly to the strategic financial planning process
- Proactively reviews the strategy and direction of the organisation or department