



Notice of a meeting of Appointments and Remuneration Committee

Monday, 27 February 2017
6.00 pm
Pittville Room - Municipal Offices

Membership	
Councillors:	Rowena Hay (Chair), Chris Coleman (Vice-Chair), Flo Clucas, Bernard Fisher, Wendy Flynn, Colin Hay, Chris Mason, Malcolm Stennett and Jon Walklett

The Council has a substitution process and any substitutions will be announced at the meeting

Agenda

1.		APOLOGIES FOR ABSENCE	
2.		DECLARATIONS OF INTEREST	
3.		APPROVE MINUTES OF LAST MEETING Minutes of the meeting held on 3 October 2016	(Pages 3 - 4)
4.		APPROVE MINUTES OF THE APPOINTMENTS SUB-COMMITTEE Sub-committee minutes of 17 October 2017	(Pages 5 - 6)
5.		SECTION 151 OFFICER ARRANGEMENTS Report of the Cabinet Member Finance	(Pages 7 - 16)
6.		LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS The Committee is recommended to approve the following resolution: "That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining items of business as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 1, Part 1, Schedule 12A Local Government Act 1972, namely: <ul style="list-style-type: none"> • Paragraph 1; Information relating to any individual. 	

7.		EXEMPT MINUTES Exempt Minutes of the meeting held on 3 October 2016	(Pages 17 - 20)
8.		ANY OTHER BUSINESS THE CHAIR DETERMINES IS URGENT AND REQUIRES A DECISION	
9.		DATE OF NEXT MEETING (IF NECESSARY)	

Contact Officer: Rosalind Reeves, Democratic Services Manager,
Email: democratic.services@cheltenham.gov.uk

Appointments and Remuneration Committee

Monday, 3rd October, 2016

6.00 - 6.30 pm

Attendees	
Councillors:	Rowena Hay (Chair), Chris Coleman (Vice-Chair), Wendy Flynn, Colin Hay, Chris Mason, Malcolm Stennett and Jon Walklett
Also in attendance:	Julie McCarthy and Tim Atkins

Minutes

1. APOLOGIES FOR ABSENCE

There were no apologies.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. APPROVE MINUTES OF LAST MEETING

The minutes of the last meeting were approved and signed as a correct record.

4. LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS RESOLVED THAT

In accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining items of business as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 1, Part 1, Schedule 12A Local Government Act 1972, namely :

- Paragraph 1 : Information relating to any individual
- Paragraph 2: information which is likely to reveal the identity of an individual
- Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)
- Paragraph 4: Information relating to any consultations or negotiations, or contemplated consultations for negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the Authority

5. EXEMPT MINUTES

The exempt minutes of the meeting held on 8 June 2016 were approved and signed as a correct record.

6. AN EMPLOYMENT MATTER

The Human Resources Manager introduced the report which had been circulated with the agenda and explained that the Director of Planning had been appointed for an initial 12 month secondment. This initial period had now ended and members were being asked to appoint to the role permanently upon the recommendation of the Managing Director REST.

The MD REST addressed the committee and highlighted the strong technical and leadership competencies of the Director of Planning over the last year.

The Human Resources Manager proposed that the sub committee formed to conduct the interviews for the secondment to the post of Director Planning be convened to review the success of the 12 month secondment to the Director of Planning post.

Members considered the proposal in detail and

RESOLVED THAT

- 1. A sub-committee be constituted to (a) review the success of the 12 month secondment to the Director of Planning post, and (b) subject to a satisfactory outcome to that review, make a permanent appointment to the post.**
- 2. The Managing Director REST be authorised to issue the appropriate appointment letter and take any necessary actions in respect of the appointment following the sub-committee decision.**

Rowena Hay
Chairman

Appointments Sub-Committee

Monday, 17th October, 2016

Attendees	
Councillors:	Wendy Flynn (Chair), Rowena Hay, Chris Mason and Andrew McKinlay
Also in attendance:	Julie McCarthy

Minutes

1. APOLOGIES

None.

2. DECLARATIONS OF INTEREST

There were none.

**3. LOCAL GOVERNMENT ACT 1972- EXEMPT INFORMATION
RESOLVED THAT**

In accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraphs 1 and 2 of Part (1) Schedule (12A) Local Government Act 1972, namely :

Paragraph 1 : Information relating to any individual

Paragraph 2: Information which is likely to reveal the identity of an individual

4. DIRECTOR APPOINTMENT

The Head of Human Resources explained that the meeting today was concerned with reviewing the performance of Tracey Crews during her secondment to the Director of Planning post, subject to which a permanent appointment would be made to the post.

RESOLVED THAT

Tracey Crews be appointed to the permanent post of Director of Planning.

Wendy Flynn
Chairman

Cheltenham Borough Council
Appointments and Remuneration Committee – 27 February 2017
Council – 23 March 2017
Section 151 Officer Arrangements

Accountable member	Councillor Rowena Hay, Cabinet Member for Finance
Accountable officer	Pat Pratley
Ward(s) affected	None
Key/Significant Decision	No
Executive summary	<p>On 22 June 2015, the Council recommended that the Deputy s151 Officer, Paul Jones, be designated, on an interim secondment basis to the role of Section 151 Officer for a period of 18 months to free up capacity to allow the Council's designated s151 Officer to spend his time leading on a number of key corporate projects. This interim period has nearly concluded.</p> <p>The permanent designated Section 151 Officer, Mark Sheldon (Director of Corporate Resources & Projects) has now confirmed his wish to permanently relinquish the Section 151 duties and this presents the Council with an opportunity to make the current interim arrangements permanent.</p> <p>Members have indicated in previous Council reports that they wish to receive GOSS and ICT services from the 2020 partnership, and the direction of travel is that these will be provided through a local authority company, the legal form through which the s151 officer role would be provided is either a secondment agreement or a contract of employment directly with this council.</p> <p>The interim Section 151 Officer is currently employed by Cotswold District Council but seconded to the Council and to the Forest of Dean District Council as their permanent designated Section 151 Officer. Following discussions with the current interim post holder, the Forest of Dean District Council and the 2020 Partnership MD, the recommended option is that Paul Jones is appointed as the permanent designated Section 151 Officer employed directly by Cheltenham BC. The Council will then enter into a secondment agreement with the Forest of Dean Council. An arrangement that all parties are fully agreeable to.</p> <p>It is recommended that the Appointments and Remuneration Committee:</p> <ol style="list-style-type: none"> 1. Agrees the content of this report. 2. Approves the salary grade and job description for the post of Chief

Finance Officer.

3. Considers the permanent appointment of the interim s151 Officer, Paul Jones, to the Chief Finance Officer role (to include the role of Section 151 Officer) with effect from 28th March 2017.
4. Makes an onward recommendation to Council for designation to the role of Chief Finance Officer (to include the role of Section 151 Officer)

Recommend to Council that:

1. Paul Jones is designated permanently to the role of Chief Finance Officer (to include the role of Section 151 Officer) with effect from 28th March 2017.

Financial implications	<p>There are no financial implications arising from this report. The salary costs of the Chief Financial Officer, as detailed in paragraph 1.9, are within the 2017/18 approved budget.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 264125</p>
Legal implications	<p>The Council has a statutory duty to appoint a designated Section 151 Officer. The Appointment and Remuneration Committee agree who to appoint but the final decision on the designation rests with Council. The Employment Rules must be complied with and this includes the need to consult with Cabinet before any offer of appointment is made.</p> <p>Contact officer: Peter Lewis, peter.lewis@tewkesbury.gov.uk, 01684 272012</p>
HR implications (including learning and organisational development)	<p>As outlined in the body of this report.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355</p>
Key risks	See appendix 1
Corporate and community plan Implications	The proposal will continue to support release of some strategic capacity which will assist in the delivery of some key corporate plan objectives.
Environmental and climate change implications	None arising from this report
Property/Asset Implications	<p>None arising from this report</p> <p>Contact officer: David Roberts@cheltenham.gov.uk</p>

1. Background

- 1.1** In 2015, the remit of the Director of Corporate Resources & Projects included the role of Section 151 Officer (s151). The Council report in June 2015 explained the business rationale and the need to free up capacity of the post holder to enable the delivery of a number of key corporate projects.
- 1.2** It was also envisaged at that time that the role of s151 Officer would likely be considered in the development of the 2020 vision partnership and that there could be the potential for a different arrangement to be considered.
- 1.3** It was proposed that the then Deputy s151 Officer, Paul Jones, be seconded into the role of s151 Officer, for a period of 18 months, and for him to also continue to fulfil the role of s151 Officer for Forest of Dean District Council.
- 1.4** The interim period has nearly concluded. Paul has fulfilled his s151 responsibilities thus far with considerable competence including the additional duties of line management of the Revenues & Benefits section following the return of the service from the control of the Joint Committee to the Council. Paul also attends Executive Board meetings and has provided invaluable and authoritative financial advice to the board during this interim period and during a continued period of financial challenge for the authority.
- 1.5** The permanent designated s151 Officer, Mark Sheldon (Director Resources & Projects) has confirmed in writing to the HR Manager that he wishes to permanently relinquish the s151 duties. This presents the Council with an opportunity to make the interim s151 arrangements, including the line management of Revenues & Benefits, permanent.
- 1.6** Members have indicated in previous Council reports that they wish to receive GOSS and ICT services from the 2020 partnership, and the direction of travel is that these will be provided through a local authority company, the legal form through which the s151 officer role would be provided is either a joint employment contract with all parties or a direct employment contract with this council and a secondment to the Forest of Dean DC.
- 1.7** The interim s151 Officer is currently employed by Cotswold District Council but seconded to this Council and to the Forest of Dean District Council as their permanent designated s151 Officer. Following discussions with the current interim post holder, the Forest of Dean District Council and the 2020 Partnership MD the recommended option is a direct employment contract with Cheltenham BC. Cheltenham will then enter into a secondment agreement with the post holder and the Forest of Dean Council. All parties are fully agreeable to this.
- 1.8** The proposed new Chief Finance Officer (CFO) role is described at appendix 2.
- 1.9** The salary for the CFO role has been established at Grade 3, £67,392 - £77,884. The Forest of Dean District Council will be paying circa £35k contribution and the salary proposal is within current budget provision. This is just a different employment arrangement.

2. Delivery of statutory duties

- 2.1** To guidance on the role of the Section 151 Officer which can be summarised as follows:
 - Leading the development of a medium term financial strategy and the annual budgeting process to ensure financial balance and a monitoring process to ensure its delivery;
 - Promotion of financial management, value for money and the safeguarding of public money;

- Provision of professional financial advice;
- Production and sign-off of the annual Statement of Accounts;
- Leading and directing the finance function through a 'business partnering' ethos (including treasury management, accounts payable, accounts receivable, insurance and procurement) so that it makes a full contribution to and meets the needs of the business;
- Compliance with the statutory requirements for accounting ;
- Compliance with the statutory requirements for internal audit which is provided by currently by Audit Cotswolds and from 1st April 2017 South West Audit Partnership (SWAP).

2.2 Article 12 of the Constitution and in particularly 12.4.2 states that The Section 151 Officer has responsibility for the administration of the financial affairs of the Council and will ensure that an adequate and effective internal audit system is maintained. As Head of Paid Service, I am comfortable that the interim arrangements to be put in place will ensure that the statutory function will continue to be delivered.

3. Reasons for recommendations

- 3.1** The proposal will continue to release strategic capacity in order to support the delivery of the corporate plan.
- 3.2** Ensures that the Council retains the skills and expertise of the current interim officer by entering into a direct employment relationship with him.

4. Alternative options considered

- 4.1** That the s151 role reverts back to the Director Resources & Projects but this would impact on the delivery of some key corporate objectives.
- 4.2** That the Council continue to procure the s151 services from the 2020 Partnership company. However, the requirement to use a joint employment contract across multiple employers and the employee was felt to be too complex.

5. Consultation and feedback

- 5.1** The appointment and remuneration committee will be consulted prior to the Council decision.

6. Performance management –monitoring and review

- 6.1** The post-holder will report to the head of paid service who will be responsible for monitoring performance through regular 1-2-1 meetings as well as through the appraisal process.

Report author	Contact officer: Julie McCarthy Julie.mccarthy@cheltenham.gov.uk, 01242 264355
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Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Chief Finance Officer – Job Description
Background information	<p>Council Report 22nd June 2015</p> <p>A&R Briefing Note – October 2016</p>

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the council does not ensure adequate Section 151 resource then there is a risk that the council may not fulfil the statutory responsibilities covered by this role.	Pat Pratley	01.02.2017	5	2	10	Reduce	Council to ensure there is an appropriate appointment to the role of Section 151 officer with access to adequate resources.	31.03.2017	Paul Jones	
	Any environmental risks										
Explanatory notes Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical) Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability) Control - Either: Reduce / Accept / Transfer to 3rd party / Close											



Job Description

Job Title:	Chief Finance Officer
Post No:	XXX
Grade:	Grade 3
Section:	Finance and Resources
Location:	Municipal Offices or any such other location within the District as the Council may determine from time to time.
Responsible to:	Head of Paid Service / Cabinet Leads
Responsible for:	Strategic resource management with Section 151 responsibility for ensuring the sound management of the council's finances; resources for and teams engaged in strategic finance, internal audit, counter fraud, revenues and benefits, other support services functions (unless transferred to another service division of partner).

Job purpose

- As a member of the Councils Executive Leadership team provide leadership, vision and strategic direction to the organisation in order to deliver the Councils policies and priorities
- Ensure there is sufficient and relevant corporate capacity to achieve Council priorities and ensure the effective management of resources including employees and partnerships which fosters innovation and secures value for money whilst being underpinned by effective financial controls
- To assume professional responsibility for the authority's financial management in accordance with the statutory Section 151 (s151) requirements.*
- Provide leadership to the teams in the Finance and Resources section (Finance, Internal Audit, Counter Fraud and revenues and benefits, ensuring that the services are in line with the expectations and are responsive to customer needs.
- Represent the Council as a non-executive Director on Council owned companies (e.g. South West Audit Partnership).

* Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs. The s151 officer is usually the local authority's Chief Finance Officer and must be a qualified accountant

belonging to one of the recognised chartered accountancy bodies. The s151 officer has a number of statutory duties, including the duty to report any unlawful financial activity involving the authority (past, present or proposed) or failure to set or keep to a balanced budget. The s151 officer also has a number of statutory powers in order to allow this role to be carried out, such as the right to insist that the local authority makes sufficient financial provision for the cost of internal audit.

Accountabilities specific to the role

s151 Officer

- Take overall responsibility for the proper administration of both Councils 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 strategy 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 both Councils on the deliverability of proposed budgets and that the councils can operate legally within its overall financial resources.
- Working with the Executive Leadership team and 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 committee.
- 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 quality financial support to the organisation; giving strategic, professional financial advice.
- Develop, implement and review the Councils capital and property investment strategies; treasury management strategies, policies and procedures; and, financial management policies, procedures and practices.
- 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 the Councils formal performance monitoring reports.
- Aid the decision-making process for the effective use of the Councils property and land portfolio.
- Ensure a dynamic corporate asset management plan, aligned to the objectives of the Councils, 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 districts.
- Ensure effective programme and project management arrangements are in place to support delivery of the capital programme.

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 both Councils.
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 the Councils communities collaborating with all sectors to continuously improve the quality of life in the districts.
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.
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 the Councils to all key stakeholders to ensure the Councils are positioned successfully for increased inward investment and policy consideration. Manage the investment in relationships made by the Councils 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 Councils vision and priorities.
10. Drive appropriate organisational improvement and transformation; and lead cultural and policy change in line with the Councils vision and values.
11. 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.
12. Set and manage ambitious performance expectations, recognising success and taking timely remedial action; keeping stakeholders informed of progress against targets.

13. Establish appropriate performance standards and determine priorities for resource allocation to meet clearly defined customer expectations.
14. Ensure the provision of expert technical advice by service areas to senior leaders and partner organisations.
15. Create an environment where learning, innovation and the application of new ideas flourish resulting in significant improvements to service delivery.
16. Take responsibility for managing risks and resolving issues that may have a significant impact on the council.
17. Understand and meet all required legislation and governance to deliver the required service standards.

Scope for Impact

The prime scope for impact of this post is finances, people, (employees), property and asset management portfolio, contributing to a culture of excellence and innovation.

The post holder will

- be the lead officer for strategic resource management with s151 responsibility for ensuring the sound management of the Council's finances.

Key Result Areas

For all at Grade 3 level:

- Service delivery plan
- Financial targets (income, or budget /salary and supplies and services)
- Data quality
- Performance management (recognition, under-performance)
- Appraisal completion 100% annually
- Attendance management (targets set annually)

Key contacts

- Executive Board
- Elected Members including Cabinet
- Colleagues as part of Executive & Senior leadership team
- Senior officers in other councils
- Regional and National bodies
- Customers/ service users
- Other - partners, funders

