

ARMAGH BANBRIDGE AND CRAIGAVON DISTRICT COUNCIL

MINUTES OF PROCEEDINGS OF THE FINANCE & RESOURCES COMMITTEE MEETING OF ARMAGH BANBRIDGE AND CRAIGAVON DISTRICT COUNCIL

DATE: 6 November 2014

TIME: 6.00 pm

VENUE: The Council Chamber, Civic Building, Banbridge District Council,
Downshire Road, Banbridge

CHAIR: Councillor C Lockhart

VICE CHAIR: Councillor J Nelson

MEMBERS PRESENT: Councillors –

M Baxter
I Burns
D Causby
A Hatch
S Nicholson
M Tinsley

D Beattie
M Cairns
S Doyle
K Haughian
P Rankin

C Black
M Campbell
P Greenfield
G Keating
J Speers

(18)

APOLOGIES: Councillors –

D Jones C Seeley

Mr E Kelly, Change Management Officer

OFFICERS IN ATTENDANCE:

Mr R Wilson, Chief Executive
Mr G Coulter, Head of Finance
Mrs S Currans, Head of Human Resources
Mr J Hayes, Head of Building Control, Armagh City & District Council

DEMOCRATIC SERVICES:

Mrs C McCully, Member Services Officer, Banbridge District Council

1. APOLOGIES

NOTED: that apologies were received from Councillors D Jones and C Seeley and the Change Management Officer.

2. DECLARATIONS OF INTEREST

No declarations of interest were made.

3. REPORT FROM THE HEAD OF FINANCE FR-14-10

PREVIOUSLY CIRCULATED: report from the Head of Finance FR-14-10.

3.1 Budget Report

RECOMMENDED: unanimously that Members note the current budgetary position.

3.2 Departmental Consultation

PREVIOUSLY CIRCULATED: letter dated 29 October 2014 from the Minister of the Environment regarding Draft Budget 2015/16: Local Government Grants. The letter highlighted proposals to make a gross cut of 15.1% to the Department's baseline budget for next year. There was also uncertainty as to how much money would be made available from DFP to pay the new Transferring Functions Grant and whether these sums would be protected into the future as was the clear policy intent when the scheme was devised.

REQUESTED: by the Head of Finance that Members urge their Party colleagues at Stormont to ensure the block grant remains in place.

RECOMMENDED: on the proposal of Councillor Baxter, seconded by Councillor Nicholson that the Council adopts the above response in respect of the consultation on the Transferred Functions Grant Regulations.

(Councillor Causby joined the meeting at 6.06 pm).

3.3 Estimates 2015/16

APPRECIATION: was expressed by Councillor Nelson for the workshop on 26 November 2014. He hoped this would provide Members with a better understanding of different service deliveries within the current 3 Councils and the correlation of grants.

EXPLAINED: by the Head of Finance in response to a query from Councillor Speers that the proposal was to roll forward current budgets from this year to next year. Service developments and business cases would be considered and analysed for the following

year's estimates. It was proposed to establish a Strategic Assets & Capital Working Group and a 3 year financial plan. Other potential cuts and future savings that needed to be made would be considered in March/April 2015 together with capital plans and revenue commitments ahead of next year's budget process.

The Head of Finance added that, in light of the potential cuts in Government Grants, Officers had also been instructed to consider potential cuts of 2% for next year and reports would be brought back to this committee.

REQUESTED: by the Chairman a complete overhaul of the estimates process to ensure the correct amount of money was allocated to each Department and that money was not being wasted.

REPORTED: by Councillor Nelson that he analysed how money was spent in Craigavon Borough Council and he challenged the budget setting process. Craigavon Councillors challenged the Corporate Team to achieve a zero rates increase in 2014/15.

(Councillor Hatch joined the meeting at 6.17 pm).

ADVISED: by the Head of Finance that a strategic view of the budget process in March/April would provide more planning time.

RECOMMENDED: unanimously that Members agree to the estimates principles outlined above and note the date of the Estimates Workshop.

3.4 Financial Analysis

RECOMMENDED: that Members note this report.

3.5 Accommodation for Transfer of Planning Service

NOTED: by Councillor Causby that this issue was discussed in full at the Party Leaders' Meeting.

EXPLAINED: by the Chief Executive in response to Councillor Hatch that the cost of maintaining Planning Service in Marlborough House would be neutral. The cost would be included in the grant for transfer.

ADVISED: by the Head of Finance in response to Councillor Hatch that the Council would be charged for accommodation but the amount has not been specified, but would be equal to the budget being transferred.

CONCURRED: by Councillor Nicholson with the recommendation that Planning Service remains in Marlborough House until the contract works had been completed. He enquired if an analysis had been carried out on mileage that would be incurred by planners covering an area of 500 sq miles.

ADVISED: by the Chief Executive that an analysis had not been done at this point in time. He further advised that details with regard to staff transferring to Council had not yet been made available, however this was expected by the end of November.

REPORTED: by Councillor Nicholson that Planning Service staff had concerns regarding this issue. He noted that Planning Service would be based in Banbridge but in his opinion there should be satellite offices in the other Councils for planning and also Building Control.

ADVISED: by the Chairman that she had also raised this issue as it was not always logistically possible for planners to travel to different areas.

CONCERN: was expressed by Councillor Baxter regarding the cost of the proposed works to the Old Town Hall and the Civic Building in Banbridge.

ADVISED: by the Chief Executive in response to a query from Councillor Baxter that it was proposed to use staff within Building Control who had expertise in this area so consultancy costs would be kept to an absolute minimum.

POINTED OUT: by Councillor Doyle that it had been agreed that Planning Service would be based in Banbridge and their travel expenses should be paid.

CONCURRED: by the Chairman that Planning Service would be based in Banbridge however she pointed out that planning officers must have access to the planning portal.

STRESSED: by Councillor Nicholson that he did not believe that the move to Banbridge was under threat and he would not be supportive of this. He expressed disappointment regarding the need for re-wiring of the Civic Building. He noted that Craigavon Borough Council had spent £500,000 on re-wiring recently and he referred to the huge amount of money which would have to be spent on legacy buildings.

ADVISED: by the Chief Executive that historically Councils in Northern Ireland had not looked upon their land and property portfolio as assets and as a result of this there had been an under investment. He advised that condition surveys had been carried out on all properties in the 3 Councils and stated there was a need for an Estate Management Working Group. Decisions would have to be made regarding the retention of assets. There would be pressures on budgets and the Council must consider ways of reducing expenditure and maximising revenue streams. The budget was very important, however the Council must be appropriately resourced.

EXPLAINED: by the Head of Finance in response to a query from the Chairman that capital expenditure over £250,000 must have approval from the Shadow Council. He noted that money had been set aside by Banbridge District Council for the re-wiring of the Old Technical Building.

ADVISED: by Councillor Speers that he did not believe there was any threat to Planning Service being based in Banbridge. However he pointed out that irrespective of where any service delivery was based there would have to be a satellite in various places. He stated that every aspect of delivery would not necessarily be in one building.

NOTED: by Councillor Baxter that £580,000 was spent in Craigavon Borough Council on refurbishment and replacing ceilings etc.

RECOMMENDED: on the proposal of Councillor Causby, seconded by Councillor Baxter that Members approve:

1. the procurement and appointment of a design team with a view to them developing a detailed options appraisal of proposed works to the Banbridge Civic Building which when approved would also develop the detailed specification for tendering purposes, and;
2. the short term option that the Planning Service remain in Marlborough House until the contract works had been completed.

4.0 REPORT FROM THE HEAD OF HUMAN RESOURCES FR-14-11

PREVIOUSLY CIRCULATED: report from the Head of Human Resources FR-14-11.

4.1 Local Government Employee and Councillor Working Relationship protocol

RECOMMENDED: that Members note the finalised version of the Local Government Employee & Councillor Working Relationship Protocol as detailed in Appendix I.

FURTHER RECOMMENDED: on the proposal of Councillor Causby, seconded by Councillor Baxter that the meeting moves 'Into Committee' for consideration of the next item.

5. REPORT FROM THE HEAD OF HUMAN RESOURCES FR-14-12

5.1 Confidential Item removed

RECOMMENDED: on the proposal of Councillor Tinsley, seconded by Councillor Rankin that the meeting moves 'Out of Committee' and recommends the decision made 'In Committee'.

The business having been completed, the meeting ended at 6.50 pm.

SIGNED:

CHAIRMAN

CHIEF EXECUTIVE

DATE

20 November 2014

REPORT FROM HEAD OF FINANCE

FR-14-10

Report to: Finance and Resources Committee

Date: 6 November 2014

Agenda Item No. 3

Reporting Officer: Graham Coulter, Head of Finance

ITEMS FOR DECISION

1.0 BUDGET REPORT	
Purpose	Decision(s) Required: Members are asked to note the content of the report.
Lead Officer	Graham Coulter, Head of Finance

1.1 BACKGROUND

At September's Finance and Resources Committee meeting, the budget for the Shadow Council was agreed. This report is by way of update on the current budgetary position.

1.2 DETAIL

A budget report for the period June to September is set out below. This shows the Council is currently within its budget for the year.

Budget Report - September 2015

	Budget	Expenditure	Variance
	£	£	
Members Allowances and Support Costs	170,000	168,424	(1,576)
Staff Costs	100,000	98,171	(1,829)
Other Expenses	54,000	53,676	(324)
Election Expenses	225,000	225,000	0
TOTAL EXPENDITURE	549,000	545,271	(3,729)
Cental Government Funding	- 16,850	- 16,854	(4)
NET EXPENDITURE	532,150	528,417	(3,733)

1.3 RECOMMENDATION

It is recommended that members note the current budgetary position.

2.0 DEPARTMENTAL CONSULTATION	
Purpose	Decision(s) Required: Members are asked to consider the content of the report and to adopt the response to the consultation on the Transferred Functions Grant Regulations.
Lead Officer	Graham Coulter, Head of Finance

2.1 BACKGROUND

The Department have recently issued a consultation on THE LOCAL GOVERNMENT (TRANSFERRED FUNCTIONS GRANT) REGULATIONS (NORTHERN IRELAND) 2015. This makes provision for the Department to introduce a mechanism for transferring the budgets required to undertake those functions transferring from central to local government on 1 April 2015.

2.2 DETAIL

THE LOCAL GOVERNMENT (TRANSFERRED FUNCTIONS GRANT) REGULATIONS (NORTHERN IRELAND) 2015

As stated above the Department are intending to introduce a mechanism to enable them to transfer the budgets annually to Local Government for the services which are transferring from central government such as Planning. The proposed mechanism is the Transferred Functions Grant.

The aim of the proposed mechanism is to provide local government with as much financial independence and flexibility as possible. The Department, in conjunction with DFP and Local Government looked at a range of options to achieve these aims. The option selected involves creating a supplementary rating grant which will bolster the tax base in each on the new 11 council areas and provide a relatively settled and sustainable funding source. Funding the transferred functions by other means such as direct grants from individual departments, would have introduced public expenditure issues around control bidding, monitoring and accounting. Councils would have had to bid to central government for the funding required to carry out the functions on a regular basis and departments would have remained

accountable for the spend. This would have created an ongoing dependency and an unnecessary level of bureaucracy that would have been inefficient.

The full consultation document can be found by following this link
http://www.doeni.gov.uk/the_local_government_transferred_functions_grant_regulations_ni_2015_consultation_document.pdf

The consultation has just two questions, these are: -

Question 1.

Do you foresee any practical or administrative difficulties with these arrangements?

Question 2.

The derived NAV will be set in year 1 and remain constant in each year after that. In year 2, and each year thereafter, the funding to be provided to each council will be the derived NAV multiplied by each council's district rate. Do you agree with this method of calculating the allocation of funding?

It is recommended the Council adopts the following responses.

Question 1

The Council is in agreement with the principles outlined in the consultation, i.e. that the methodology should provide Councils with as much financial independence and flexibility as possible and minimise bureaucracy. However, due to concerns that some of the intended functions may not transfer as planned on 1st April 2015, we would advocate that there is some flexibility in the drafting of the Transferred Grant Regulations to ensure that adjustments to the "derived NAV" can be made expeditiously if a subsequent increase is required. It is possible that a future review of the delivery of functions will lead to further transfers to local government. Again, the proposed one-off NAV would thus require amendment.

Question 2

The Council agrees that this methodology achieves the aims of the proposed mechanism i.e. to provide local government with as much financial independence and flexibility as possible.

However, as outlined in our response to question 1, as it remains possible that the derived NAV will be subject to change the regulations need to allow for this scenario.

2.3 RECOMMENDATION

It is recommended that the Council adopts the above response in respect of the consultation on the Transferred Functions Grant Regulations.

3.0 ESTIMATES 2015/16	
Purpose	Decision(s) Required: Members are asked to recommend the adoption of a set of principles regarding the estimates for 2015/16.
Lead Officer	Graham Coulter, Head of Finance

3.1 BACKGROUND

As members will be aware the Council is required to strike a rate for the new district by 14 February 2015. The aim of this report is to provide members with a further update on the progress of this.

3.2 DETAIL

As outlined in the report to the Finance & Resources committee in September work has commenced on bringing together the budgets of the three existing Councils as part of the rate setting process for 2015/16. The first stage of this is now complete and a summary of the 2014/15 budgets for the new Council is attached at **Appendix A**.

The report presented to members in September highlighted a number of unique challenges of this years rate setting process, such as rates convergence, integration of transferring services and information on rates income for 2015/16. Since then a capital workshop was held with members which looked at a range of commitments and proposals which the Council will need to examine in more detail in the context of both it's corporate plan and a medium term financial plan.

To enable officers to adequately brief members on these issues it is proposed to hold a workshop on 26 November 2014, by which time it is envisaged that some of these issues will be much clearer. The workshop will cover the following topics, the Councils corporate plan, rates convergence, capital and revenue commitments for 2015/16, transferring services budgets, and the 2015/16 estimates.

Combining the above factors with the current uncertainty surrounding the impact of central government cuts to public expenditure, and the effect this may have on the various grants the Council receives, it is recommended that the Council adopt the following principles to next year's budgets: -

- Any service development proposals will be rates neutral;
- Salaries and Wages budgets are based on the staffing levels contained in the 2014/15 budgets;

- Salaries and wages budgets are increased by 1.5% (to make provision for a pay rise);
- Non payroll budgets are not increased (this will be a real terms reduction);
- Officers are tasked with absorbing current cost pressures within the totality of their current budgets;
- All non-recurrent budgets are removed such as those being funded from reserves in 2014/15;
- Current capital commitments are brought forward and other proposals are deferred pending the establishment of a Strategic Assets & Capital Steering Group.

In addition to the above principles members should note a number of other adjustments will have to be made to the budgets of the current Councils, for example to take account of the Councils new organisation structure and the new arrangements for the delivery of services currently undertaken by Group Building Control and Environmental Health.

Members will be aware that the three existing Councils receive grant funding from a number of sources within central government to fund services such as Community Relations, Tourism and Economic Development. The two most significant grants come from the Department of the Environment, i.e. the Resources and De-Rating grants, which in the current year amount to £7.5m across the existing three Councils. An analysis of the other grants is set out in **Appendix B**.

As can be seen from this analysis should these grants be reduced as a result of the current pressure on public expenditure the Council will be faced with a choice of increasing the rates to cover the shortfall, decreasing the expenditure associated with these grants, decreasing expenditure in other areas or a combination of some or all of these options.

3.3 RECOMMENDATION

It is recommended that members agree to the estimates principles outlined above and note the date of the Estimates Workshop.

4.0 FINANCIAL ANALYSIS	
Purpose	Decision(s) Required: Members are asked to note the report.
Lead Officer	Graham Coulter, Head of Finance

4.1 BACKGROUND

In response to a request from a previous Finance and Resources committee this report sets out some details of the Councils finances, assets and liabilities.

4.2 DETAIL

In terms of the Councils assets, liabilities and expenditure, the new Council will have assets in excess of £162m, long term borrowing of almost £50m, the expenditure for the three Councils for 2013/14 is set out below: -

	£m
Employee Expenditure	32.5
MRP	7.3
Other Expenditure	38.0
Total	77.8

Whilst there are differences between each Council in terms of its make up between employee spend, capital investment and other expenditure, this simply reflects different choices Councils have made in terms of their organisational design or their corporate strategy, e.g. direct service provision vs grant distribution to groups, contracting out the service, investing in front line services or community infrastructure.

In terms of the reserves position across the three councils, the accounts at the end of March 2015 showed the following position: -

	Total £
Capital Fund	2,920,072
Other Balances and Reserves	4,735,253
General Fund	<u>11,569,702</u>
	<u>19,225,027</u>

Members will be aware that the three existing Councils are currently reviewing their reserves position with the intention of bring forward a minimum of 7.5% of their net spend forward into the new Council. The starting position for the new Council is therefore likely to be as follows: -

	£
Armagh	1,500,000
Banbridge	1,100,000
Craigavon	1,750,000
	<u>4,350,000</u>

4.3 RECOMMENDATION

It is recommended that members note this report.

5.0 Accommodation for Transfer of Planning Service	
Purpose	Decision Required: It is recommended that members approve: 1. the procurement and appointment of a design team with a view to them developing an detailed options appraisal of proposed works to the Banbridge Civic building which when approved will also develop the detailed specification for tendering purposes, and; 2. approve the short term option that the Planning Service remain in Marlborough House until the contract works have been completed.
Lead Officer	Roger Wilson, Chief Executive

5.1 BACKGROUND

From the 1st April 2015 Armagh, Banbridge and Craigavon District Council will be responsible for the Planning function. At a special Council meeting on 11 September the Council agreed that this function, including the Planning Committee, would be delivered from Banbridge.

It was always envisaged that enabling works would be required to accommodate Planning Service, however fixed wiring reports have indicated that immediate electrical, mechanical and building maintenance repairs to the Old Technical building are required and that electrical works will be required within the next two years to the Councils Civic building.

The works to the Old Technical College are at an urgent stage and officers are currently liaising with Banbridge Council concerning the extent of work that needs to be undertaken and potential cost. As works to the Old Technical College will be undertaken by Banbridge District Council, approval by the Shadow Council will be required.

As previously requested by members, information with regard to such works has been requested by shadow Council officers and this is currently being compiled by Banbridge Council. It is expected that formal approval will be sought from the Shadow Council in December.

5.2 DETAIL

Following the Councils decision to locate the Planning Service in Banbridge, officers have been looking at various options of where the staff could be located and the impact this would have on the existing staff. The two main buildings being considered are the Civic Building and the Old Technical building (located near the Civic Building).

The recent fixed wiring report which was completed for the Civic Building in Banbridge highlighted that major electrical works (re-wire) are required within the next two years. The recent condition survey also identifies a number of issues which should be taken into consideration in any proposed works contract to this building.

In light of these essential works, alongside the request that will follow from Banbridge to carry out electrical works to their Old Technical Building, it would therefore be worth considering carrying out all the works in sequence and look at an alternative short term location for the Planning Service. This would save disrupting the service to the public three times, i.e. moving the staff to Banbridge, then having to find alternative temporary accommodation whilst the work is carried out in a year or so, then moving them back into their permanent location. The former HMRC building in Banbridge is currently available for a short term lease and using it to decant staff from the Old Technical College and the civic building whilst the works there are being carried out.

It is therefore recommended that the Council approve the work to the Civic Building after work has been completed to the Old Technical building. A design team has not yet been appointed and as such accurate costs have yet to be determined.

If the Council were to agree to the above, then until the works have been completed the following short term accommodation options for the Planning Service need to be considered: -

1. The Planning Service move out of Marlborough House to other accommodation in ABC.
2. The Planning Service move out of Marlborough House to office accommodation in ABC which has been leased for the duration of the works to the Civic building.
3. The Planning Service remains in Marlborough House until the works are completed to the Civic building.

In terms of the impact on the Planning service, its staff and customers, alongside the cost, the preferred short term solution is option 3. Minor enabling work would be required i.e. connecting them to the Councils ICT network.

Option 3 Impact

Item	Impact
1. Accommodation Cost	Cost neutral
2. Staff Impact	Low impact as staff remain in their current location
3. Customers	Low impact same address and contract details

5.3 DECLARATIONS OF INTEREST

Officers are not aware of any Declarations of Interest to be made in relation to this item.

5.4 RECOMMENDATIONS

It is recommended that members approve:

- 1. the procurement and appointment of a design team with a view to them developing an detailed options appraisal of proposed works to the Banbridge Civic building which when approved will also develop the detailed specification for tendering purposes, and;**
- 2. approve the short term option that the Planning Service remain in Marlborough House until the contract works have been completed.**

Appendix A

Summary Estimates 2014/2015

	Armagh	Banbridge	Craigavon	Group	Total
	£	£	£	£	£
Corporate Services Directorate	2,726,056	2,148,815	4,200,712	-	9,075,583
Building Control Directorate	12,811	80,331	60,314	149,357	302,813
Community Services	267,362	355,160	1,100,310	-	1,722,832
Tourism	1,494,358	393,318	246,411	-	2,134,087
Economic Development	496,021	432,294	1,162,251	-	2,090,566
Cultural	801,662	393,258	723,971	-	1,918,891
Environmental Health	634,393	654,147	866,944	337,543	2,493,027
Technical Services	4,710,370	3,880,775	9,996,442	-	18,587,587
Estates Directorate	818,289	102,270	370,711	-	1,291,270
Rec parks and Open spaces	849,368	868,512	1,619,670	-	3,337,550
Sports Development	139,132	190,086	351,709	-	680,927
Indoor sports	881,947	1,400,106	2,271,872	-	4,553,925
Outdoor Sports	437,307	320,488	840,951	-	1,598,746
	14,269,076	11,219,560	23,812,268	486,900	49,787,804

Summary of Grant Income 2014/15

	Armagh	Banbridge	Craigavon	Total
	£	£	£	£
Corporate Services	71,063	42,022	87,030	200,115
Community Services	595,310	438,583	627,588	1,661,481
Tourism	34,000	16,250	161,459	211,709
Economic Development	461,663	40,000	231,324	732,987
Cultural	-	-	53,000	53,000
Environmental Health	33,550	27,000	60,000	120,550
Rec parks and Open spaces	-	44,000	-	44,000
Sports Development	-	5,000	297,441	302,441
Indoor sports	30,000	-	-	30,000
Outdoor Sports	-	-	142,382	142,382
Countryside Management	-	-	7,500	7,500
Sub Total	1,225,586	612,855	1,667,724	3,506,165
Resources Grant	830,182	1,157,615	1,079,349	3,067,146
De-Rating Grant	1,679,061	481,500	2,300,022	4,460,583
Grand Total	3,734,829	2,251,970	5,047,095	11,033,894

FR-14-11

HEAD OF HUMAN RESOURCES REPORT

Report to: Finance and Resources Committee

Date: 6 November 2014

Agenda Item No. 4

Reporting Officer: Roger Wilson, Chief Executive

ITEM FOR NOTING

1.0 LOCAL GOVERNMENT EMPLOYEE & COUNCILLOR WORKING RELATIONSHIP PROTOCOL	
Purpose	Decision Required: That Members note the finalised version of the Local Government Employee & Councillor Working Relationship Protocol as detailed in Appendix 1.
Lead Officer	Sharon Currans, Head of Human Resources

1.1 BACKGROUND

As Members will be aware, the NI Local Government Code of Conduct for Councillors is now in place. As a separate exercise, the Local Government Reform Joint Forum (LGRJF) has reviewed the Local Government Officer Code of Conduct.

1.2 DETAIL

A protocol on working relationships between councillors and Local Government Officers was previously annexed to the Local Government Office Code of Conduct and the Department has revised this after a widespread consultation exercise with key stakeholders. The agreed Working Relationship Protocol is attached at **Appendix 1**.

1.3 RECOMMENDATION (S)

That Members note the finalised version of the Local Government Employee & Councillor Working Relationship Protocol as detailed in **Appendix 1**.



Local Government Employee & Councillor Working Relationship Protocol

Issued: October 2014

Local Government Employee and Councillor Working Relationship Protocol

1.0 Introduction

- 1.1 The Local Government Act (Northern Ireland) 2014 (the 2014 Act) creates a new environment for Local Government in Northern Ireland. The 2014 Act includes a new ethical framework for local government, a key element of which is the introduction of a mandatory Code of Conduct for Councillors.
- 1.2 The 2014 Act imposes a mandatory requirement for Councillors to observe the Northern Ireland Local Government Code of Conduct for Councillors (the Councillor Code), which establishes mechanisms for the investigation and adjudication of complaints and for appeals. With the exception of Part 9 (Planning), the Code came into force on 28 May 2014 the Part of the Code which deals with planning will come into effect from 1 April 2015.
- 1.3 The Local Government Staff Commission for Northern Ireland is responsible for issuing the Code of Conduct for Local Government Employees (2004) (the Employee Code). In conjunction with the Local Government Reform Joint Forum, the Commission has prepared a revised Code of Conduct for Local Government Employees due to come into effect from 1 April 2015.
- 1.4 Local Government has already established policies and procedures to resolve issues that Employees (for the purpose of this protocol the term 'Employees' or members of staff should be taken to mean any individual employed by a council including those working both full time and part time on a permanent, temporary, fixed term or inward secondment basis. The Protocol also applies to seasonal and casual staff, agency workers and volunteers while they are engaged in carrying out duties for the council), may encounter in the workplace. This protocol does not override any existing Employee policies or legal obligations but seeks to clarify the expected working relationship between Councillors and Employees.

2.0 Purpose

- 2.1 The protocol is intended to set out the working relationship between Councillors and Employees of councils. It relates to all aspects of the working environment, both physical and virtual. The protocol also advises of the steps to be taken to deal with concerns at an early stage to reduce negative impacts upon Councillors or Employees and ensure the prompt resolution of any difficulties which may arise. All issues raised under the remit of this protocol must be dealt with in the strictest confidence.

2.2 The protocol should also assist in furthering and developing a harmonious working environment with positive, constructive and professional relationships between Employees and Councillors.

2.3 The protocol reflects the content of both Employee and Councillor Codes of Conduct that demand the highest standards of personal conduct at all times. It upholds the seven Nolan Principles and the additional principles of public life:-

- **Public Duty** – have a duty to uphold the law and to act on all occasions in accordance with the public trust placed in them; to act in the interests of the community as a whole.
- **Selflessness** - should act in the public interest at all times and should take decisions solely in terms of the public interest. They should not act in order to gain financial or other material benefits for themselves, their family, friends or associates.
- **Integrity** - should not place themselves under any financial or other obligation to outside individuals or organisations, which might reasonably be thought by others to influence them in the performance of their duties.
- **Objectivity** - in carrying out public business, including considering public appointments, awarding contracts, or recommending individuals for rewards and benefits, they should make choices on merit.
- **Accountability** - are accountable to the public for their decisions and actions and for the way that they carry out their responsibilities and must submit themselves to whatever scrutiny is appropriate to their office.
- **Openness** - should be as open as possible about the decisions and actions that they take. They should give reasons for their decisions when required and restrict information only when the wider public interest clearly demands it.
- **Honesty** – should act honestly. They have a duty to declare any private interests relating to their public duties and should take steps to resolve any conflicts between their private interests and public duties at once and in a way that protects the public interest.
- **Leadership** - should promote and support these principles by leadership and example in order to establish and maintain the trust and confidence of the public, to ensure the integrity of their council in conducting business.
- **Equality** - should promote equality of opportunity and not discriminate against any person by treating people with respect regardless of race, age, religion, gender, sexual orientation, disability, political opinion, marital status and whether or not a person has dependants.
- **Promoting Good Relations** – should act in a way that is conducive to promoting good relations by providing a positive example for the wider community to follow and that seeks to promote a culture of respect, equality and embrace diversity in all its forms.
- **Respect** – Employees and Councillors are reminded that it is acknowledged that the exchange of ideas and opinions on policies may be robust but this should be kept in context and not extended to individuals being subjected to unreasonable and excessive personal attack. They should keep in mind that rude and offensive behaviour may lower the public's regard for, and confidence in, Employees, Councillors and councils, they should therefore show respect and consideration for others at all times.

- **Good Working Relationships** - Councillors and Employees are servants of the public, and are interdependent upon one another. But their responsibilities are distinct. Employees are ultimately responsible to the Chief Executive¹; Councillors are responsible to the electorate. The working relationship between Councillors and Employees must at all times be professional, courteous and based on mutual respect and trust. Neither party should seek to take unfair advantage of their position. All Councillors and Employees are responsible for ensuring they understand what behaviour is required of them, complying with respective Codes of Conduct. Both share a responsibility for understanding sensitivities and feelings of others and avoiding behaviour that could cause offence or distress.

3.0 Conduct of Local Government Employees towards Councillors

- 3.1 Employees must treat all political groups and individual Councillors equally, fairly and remain politically neutral at all times. Employees will provide professional, impartial and effective support, to enable Councillors to fulfil their role, in and on behalf of, the council. Employees will not seek to influence or lobby a Councillor with regards to personal issues.
- 3.2 It is important that there should be good working relationships between senior council employees and Chairs of Committees / Mayors. However such relationships should not be allowed to become so close as to cast doubt either on an officer's ability to deal impartially with other councillors, or the Chair/Mayor's ability to deal impartially with other employees.

4.0 Procedure

- 4.1 In the event that a Councillor wishes to raise either an informal or formal complaint regarding the conduct or behaviour of an Employee, the following process should be followed:

Informal Approach

- 4.2 A Councillor should seek to raise the matter in the first instance with the relevant Head of Service or Director who should seek to resolve the matter with the Employee concerned. The Councillor must not engage directly with the Employee, nor make any attempt to reprimand or discipline the Employee.
- 4.3 If the matter is about the conduct of an Employee at Head of Service or Director level, the Councillor should address their concern to the Chief Executive.
- 4.4 The Head of Service/Director/Chief Executive will undertake to resolve the matter through discussions with the Employee concerned and report on the outcome to the Councillor.

[¹ A Chief Executive is also an employee and is ultimately responsible to the Council]

Formal Approach

- 4.5 If the Councillor is unhappy with the outcome of the informal approach or considers the initial complaint to be of a serious nature, they should raise the matter with the relevant Head of Service or Director and make their Party Group Leader, if relevant, aware of the complaint.
- 4.6 The relevant Head of Service/Director (or Chief Executive if applicable), will ensure the matter is investigated according to the relevant council procedures consulting with appropriate human resource sections.
- 4.7 The outcome of the investigation may result in:-
- no further action being required,
 - a verbal or written apology to the Councillor with an acknowledgement by the Employee that their conduct failed to meet the agreed standard and an undertaking that there will be no recurrence or
 - referral for consideration under the council's disciplinary procedure.
- 4.8 The Head of Service/Director (or Chief Executive if applicable), will write to the Councillor and Group Party Leader, if relevant, advising of the outcome.
- 4.9 The Employee will be informed in accordance with the relevant council procedures.
- 4.10 If the complaint is in relation to the Chief Executive the procedures specified in the Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities or the appropriate mechanism at that time will be followed.

5.0 Conduct of Councillors towards Employees

- 5.1 Councillors' engagement with Employees must be equitable, reasonable, courteous and respectful and ensure that the impartiality of Employees is not compromised. Councillors must abide by their Code and their council's standing orders.

Procedure

- 5.2 In the event that an Employee wishes to raise either an informal or formal complaint regarding the conduct or behaviour of a Councillor, the appropriate support must be provided by their respective line manager and the following procedure should be followed:

Informal Approach

- 5.3 An Employee should seek to raise the matter in the first instance with their relevant Head of Service or Director, providing details of the incident that has occurred. The Employee must not engage directly with the Councillor. If necessary, the Head of Service or Director may involve the Group Party Leader, if relevant.
- 5.4 The Head of Service or Director will undertake to resolve the matter through discussions with the Councillor concerned and report on the outcome to the Employee and the Chief Executive.

Formal Approach

- 5.5 If the Employee is unhappy with the outcome of the informal approach or considers their complaint to be of a serious nature, they may wish to consult with their recognised Trade Union representative, if applicable prior to raising the matter formally (verbally or in writing) with the relevant Head of Service or Director. The Employee and their representative may also raise the complaint directly with the senior Human Resource Employee in the Council.
- 5.6 The relevant Head of Service/ Director, (or senior HR Employee if applicable), will ensure the matter is investigated according to the appropriate council investigatory process.
- 5.7 The Councillor and Party Group Leader, if relevant, will be advised of the complaint and should agree to co-operate with the investigation to establish the facts.
- 5.8 The outcome of the investigation may result in:-
- no further action being required, or
 - a verbal or written apology to the Employee with an acknowledgement by the Councillor that their conduct failed to meet the agreed standards and an undertaking that there will be no recurrence.
- 5.9 If the Head of Service/Director (or senior HR Employee), considers that the circumstances of the complaint is sufficiently serious or a pattern of behaviour emerges, they may recommend to the Chief Executive that the matter is raised at a formal meeting with the Party Group Leader, if relevant. The minutes of this meeting should be presented to the appropriate governance committee for consideration.
- 5.10 The Head of Service/ Director (or senior HR Employee), will write to the Employee (and where appropriate their recognised Trade Union representative) advising of the outcome. If the Employee is unhappy with the outcome, they may request that their complaint be reviewed by the Chief Executive. The

Chief Executive will review the complaint and advise the Employee (and their Trade Union representative) of their decision.

5.11 The Councillor and the Group Party Leader, if relevant, will be informed in writing of the outcome of the investigation and consideration of further action.

(To note: This protocol does not preclude an employee, at anytime, if they think it necessary, to write to the Commissioner for Complaints setting out how, in their opinion, a Councillor has breached the Code).

This protocol is the interface between current Councillor and Employee Codes of Conduct, which require the highest standards of personal conduct, including activities on social media, to be maintained at all times.