

COUNCIL

Minutes of the meeting of the Council held on Wednesday, 15 January 2020 in the Council Chamber - Council Offices, Holt Road, Cromer, NR27 9EN at 6.00 pm

Members Present:

Mr T Adams	Mr D Baker
Ms P Bevan Jones	Mr D Birch
Mr H Blathwayt	Mr A Brown
Dr P Bütikofer	Mrs S Bütikofer
Mr C Cushing	Mr N Dixon
Mr P Fisher	Mrs A Fitch-Tillett
Mr T FitzPatrick	Mr V FitzPatrick
Mrs W Fredericks	Ms V Gay
Mrs P Grove-Jones	Mr C Heinink
Mr P Heinrich	Mr N Housden
Mr R Kershaw	Mr N Lloyd
Mr G Mancini-Boyle	Mrs M Millership
Mr N Pearce	Mrs G Perry-Warnes
Mr J Rest	Mr E Seward
Miss L Shires	Mrs E Spagnola
Dr C Stockton	Mr J Toye
Mr A Varley	Ms K Ward
Ms L Withington	

Also in attendance: The Monitoring Officer, the Head of Finance & Assets, the Democratic Services Manager and the Democratic Services & Governance Officer.

1 CHAIRMAN'S COMMUNICATIONS

The Chairman opened the meeting by asking Members to observe one minutes silence in remembrance of former councillor, Brian Hannah, who had served as an elected member of the Council, representing Sheringham, for 22 years from 1997 to 2019.

He then invited the Leader to say a few words. Cllr S Butikofer said that Mr Hannah had been known as 'Mr Sheringham' and had been involved in organisations in the town throughout his life. He was a very strong character who fought very hard for his beliefs. He was extremely proud of his family and thoroughly enjoyed his year as Chairman of Norfolk County Council, with his wife Beverley as his consort. She concluded by saying that it had been a real pleasure to work with Brian and he would be very sorely missed.

The Chairman thanked the Leader and said that before moving onto the next agenda item, he wanted to congratulate Cllr Cushing on his recent appointment as Group Leader for the Conservative Group.

2 APOLOGIES FOR ABSENCE

Apologies had been received from Cllrs G Hayman, S Penfold, J Punchard and John Toye.

3 TO RECEIVE DECLARATIONS OF INTERESTS FROM MEMBERS

None.

4 URGENT BUSINESS

None.

5 EXCLUSION OF PRESS AND PUBLIC

The Chairman reminded Members that there were exempt appendices to the report. He said that if any Member wished to discuss any information within the appendices then the meeting would need to go into private session.

6 STRATEGIC LEADERSHIP RESTRUCTURE

The Leader, Cllr S Bütikofer, introduced this item. She began by saying that the decision to take the report to Full Council had not been taken lightly. The proposed consultation was in no way a reflection on the characters of the post holders.

The report before Members was the same one that had been considered by Cabinet on 6th January and the Employment & Appeals Committee on 7th January. There was no requirement within the Constitution for Full Council to consider the report but she wanted the process to be as transparent as possible, adding that if the proposal to restructure was supported then it would come back to Council for further consideration.

The Leader then outlined the background to the proposal. She explained that in 2016 there had been an opportunity to explore a shared chief executive model with Great Yarmouth Borough Council. This was suddenly dropped, without explanation, and quickly followed by the departure of three of the Council's senior officers who joined Great Yarmouth BC on a permanent basis. A report was then taken to Full Council in September 2016 to appoint the two Corporate Directors as Joint Heads of Paid Service on an interim basis. Cllr Bütikofer raised her concerns about the impact of this decision at the time. In November 2016 these appointments were made permanent and once again Cllr Bütikofer voiced her concerns strongly at Full Council.

Twelve months later, Cllr Bütikofer became leader of the Council. She sought advice from the LGA on the structure and was told that it was 'of concern'. They advised that no other council operated a joint heads of paid service model, whilst some had two corporate directors who rotated the head of paid service role between themselves. At the time she was Leader of a hung council and did not feel that it was appropriate to take action, she also wanted to see for herself how the model worked in action. Shortly afterwards, the Investors in People (IIP) assessment was commissioned by senior officers and this highlighted some areas of concern regarding the leadership of the Council.

In May 2019, following the District Council elections, Cllr Bütikofer, now Leader of a new administration, raised concerns about several projects. No specific officers were involved but there was a link between them that couldn't be ignored. A decision was taken to commission a capability review of the Council to see if it could deliver on the ambitions of the new administration.

The Leader explained that the final page of the Capability Review was not published

at the time because it made uncomfortable reading for some staff. A decision was then taken to move to consultation regarding the two senior officer posts. This was put on hold due to an investigation. This investigation was now concluded and it was time to proceed with the consultation process.

Cllr E Seward, Deputy Leader, seconded the proposals and said that he wished to reserve his right to speak.

The Chairman invited Cllr J Rest, Chairman of the Employment & Appeals Committee (EAC) to speak. Cllr Rest said that the EAC had met on 7th January and endorsed the procedure proposed by Cabinet.

The Chairman invited Members to speak:

1. Cllr N Dixon said that in recent years North Norfolk had been recognised locally and nationally as a well-run Council. He said that he was concerned that within several months there appeared to be low staff morale. A restructure of senior posts could have been done quickly and the negative impact on the staff was significant and undeserved. He referred to the Council's values of respect, treating everyone fairly and being open and honest and listening. He felt that the process so far had not reflected these values. Moving forwards, the focus should be on damage limitation and acting constructively. Cllr Dixon concluded by saying that he had no problem with the proposed structure. His concerns were about the process and the impact.
2. Cllr D Baker said that he was pleased that there was a debate on this matter. He felt that the capability review had been handled poorly, and despite asking several questions on the procurement process, they had never been answered. He said that he had heard from staff directly about how demoralised they were and this was borne out by the number of staff leaving the organisation. Referencing the IIP assessment, Cllr Baker said that the Council had until recently held the Gold standard which reflected the excellent work being done by staff. He went on to say that he believed the capability review to be a 'smokescreen' to get to this point. He had no issue with a corporate restructure as long as it was done with integrity and the people involved were treated with respect.
3. Cllr C Cushing said that the process to date demonstrated a lack of leadership. The Administration was entitled to undertake a restructure but should not hide behind the capability review. He said that the outcome of this review was in contrast to the IIP assessment which was not far off a gold standard. The IIP had highlighted areas for change but he felt that this was done in a constructive manner. Cllr Cushing said that the results of the capability review had demoralised staff, resulting in a high turnover.
4. Cllr T FitzPatrick said that he was surprised that the Leader was not aware why the shared service arrangements had not gone ahead. It was due to Great Yarmouth BC only wanting to implement it at the highest levels and not further down, which meant that the savings did not stack up. The joint Heads of Paid Service model that was subsequently adopted resulted in savings of £250k. He then referred to a comment from the former editor of a local newspaper who had described the Council as a 'pocket size council punching well above its weight' saying that it would not be described as such now. He added that Cllr Bütikofer had become Leader of the Council in November 2018 and that six months was long enough to decide if the current model was working. Referring to the LGA advice, Cllr FitzPatrick said that it was a membership body not a regulatory body. When he was Leader of the

Council in 2016, he had taken advice from the HR Manager and the Council's legal team as well as speaking to the LGA and East of England LGA (EELGA). He concluded by saying that he would vote against the proposals.

5. Cllr Seward commented that there had been a lot of 'grandstanding' during the meeting so far. The reason that Cabinet had opted to take this approach was to ensure that it was evidence based. He said that when the current model began in 2016, concerns had been raised about the model and whether it provided clear direction for the Council. The main reason why other councils did not have two Heads of Paid Service was because it did not provide sound management. He said that both the IIP report and the Capability Review raised concerns about the leadership of the Council. Cabinet had opted to undertake the latter because they wanted to be sure of the approach that they were taking and they wanted the organisation to be assessed independently. A huge number of staff were involved in the review and the consultants had previously undertaken work for Norfolk County Council and several Conservative-run councils. It was wrong to criticise the consultants' professional judgement. Cllr Seward then referred to the recent investigation undertaken by the EAC. He said that there was no evidence at all to say that the people involved had acted unconstitutionally. If they had then he would have raised concerns straight away. He went on to say that the process that was being undertaken was very fair and thorough. It was important to take time with such things so that staff did not get the wrong message.

Cllr Seward then referred to several large projects which had caused concern for the current administration. He said that these were all a reflection on the previous administration and that residents deserved better. They wanted a council that held true to its values and which provided high quality services, efficiently.

6. Cllr V FitzPatrick said that it seemed to him that it was a Council of 'reports' and that a responsible leadership would not seek to put someone else's name in the frame. He said that looking at the IIP report and the Capability Review it was hard to believe that they referred to the same Council. He went on to say that the first time he had seen the Capability Review was when it was circulated ahead of the meeting. He then referred to the departure of several members of staff, including experienced officers and said this should be of concern to the Leader. For these reasons he would not support the proposals.

The Leader said that she felt she could not be criticised for not following a transparent process when that was exactly the approach she was taking. Regarding the demoralisation of staff, she said that she found this an interesting concept as the Extended Managers Team (EMT) had been singled out by the Capability Review as a key leadership group to take the Council forward. She had always recognised how committed the staff were to the Council and often praised them for their hard work and dedication.

The Leader concluded by saying that sometimes there was a need to make difficult decisions and she was trying to make the process as fair, transparent and honest as possible.

Cllr T FitzPatrick requested a recorded vote.

It was proposed by Cllr S Bütikofer, seconded by Cllr E Seward and

RESOLVED, 28 votes in favour and 6 against

1. To receive a report from the EAC on the proposed model.
2. To receive the Cabinet's preferred model for consultation and delegate to the EAC any consequential employment matters arising from any restructuring process, following the consultation and a subsequent Cabinet decision to the EAC.
3. To commence formal consultation with the affected post holders subject to the view of the Employment and Appeals Committee and Council.

7 PRIVATE BUSINESS

The meeting ended at 6.48 pm.

Chairman