

2 March 2015 – At a meeting of the Committee held at County Hall, Chichester.

Present:

Mr Brown, Mr Burrett, Ms Goldsmith, Mrs Jupp (Chairman), Mr Lanzer, Mrs Mullins, Mr Peters and Dr Walsh.

Apologies were received from Mr G L Jones.

Declarations of Interest

117. In accordance with the code of conduct, Mr Burrett and Mr Lanzer declared personal interests in item 7, Pay Policy Statement 2015/16 and item 11, Pension Advisory Board – Changes to Terms of Reference, as members of the West Sussex Pension Scheme. Mr Burrett also declared an interest as a member of the Local Government Pensions Committee appointed by the Local Government Association.

Minutes of the Governance Committee

118. Resolved – that the minutes of the meeting held on 24 November 2014 be approved as a correct record and that they be signed by the Chairman.

Review of Appeals Mechanism within the Redundancy and Internal Placement Policies

119. The Committee considered a report by the Director of Workforce, Organisational Development and Delivery Support on a review of the Redundancy Policy following two recent appeals against redundancy which had highlighted confusion about the appeals process (copy appended to the signed minutes). Areas identified for improvement included the timing of appeals, the clarity of the appeal process, the time an employee remains on the redeployment register, duplication of appeal rights, clarity around the rationale for selection and the robustness of decision making.

120. Members supported the changes to the policy and the improved clarity in what was a stressful process. In relation to the rationale for selection in paragraph 3.12 of the report, the Cabinet Member for Corporate Relations requested that managers should be required to always hold a face to face meeting with an employee who had been selected for redundancy. The Leader supported the suggestion and proposed that the word 'verbally' in the Redundancy Policy in the paragraph at the top of page 21 should be amended to read 'face to face'. The Committee supported the proposal.

121. Resolved -

- (1) That paragraph 3 of Section 4 of the revised Redundancy Policy attached at Appendix A to the report be amended to state that employees should be informed face to face of the result of a selection process;
- (2) That employees should have an early opportunity to challenge their

selection for redundancy before a final decision is taken as detailed in paragraph 3 of Section 4 of the revised Redundancy Policy attached at Appendix A to the report;

- (3) That there should be a limit of 13 weeks for an employee to remain on the Internal Placement Register, as detailed in Section 5.2 of the revised Internal Placement Policy attached at Appendix B to the report;
- (4) That the process for raising and hearing an appeal to management be clarified, as detailed in Section 8 of the revised Redundancy Policy attached at Appendix A to the report;
- (5) That the duplicated right of appeal be removed from the Internal Placement Policy as detailed in Section 9 of the revised Internal Placement Policy attached at Appendix B to the report;
- (6) That a clear step at which employees will be informed of the rationale for their selection and their right of appeal be included as detailed in Section 8 of the revised Redundancy Policy attached at Appendix A to the report; and
- (7) That the revised Policy to come into effect from 1 March 2015.

Review of Procedure for Hearings of the Staff Appeals Panel

122. The Committee considered a report by the Director of Workforce, Organisational Development and Delivery Support on proposals to change the format of staff appeals conducted by members of the Staff Appeal Panel to a hearing limited to the 'grounds of appeal' (copy appended to the signed minutes).

123. Members were reassured that the aim of the changes was to make the process clearer and help the Board of Appeal concentrate on the issues being contested while ensuring that members had enough background information about the case to make a decision.

124. In relation to paragraph 3 of Appendix A, a question was raised as to whether an appellant could bring a companion who was a friend or relative. The Principal Manager Policy and Practice said that appellants who wished to be accompanied at a hearing could discuss the matter with Democratic Services but it was important to be clear in what capacity a companion was attending. Members were reassured that separate guidance would be written for employees on how the process worked including detailed information about how those who did not wish to be represented should prepare to present their case.

125. It was noted that although paragraph 5.2 of the report referred to the Legal Services deciding on the format of an appeal where there had been a procedural error, the decision would be made by the Director with advice from Legal Services as set out in paragraphs 1 of Appendices A and B. In response to a query on paragraph 3.3. and the rationale for a re-hearing in the case of a procedural error, the Director of Law, Assurance and Strategy confirmed that, if it was acknowledged by management that there had been a procedural error, it would be possible for

that decision to be set aside and the case re-heard by another director before, if necessary, submission to a Board of Appeal.

126. In response to a question, the Principal Manager Policy and Practice confirmed that it was correct that the option for representation by a legal adviser such as a solicitor applied to a hearing against dismissal but not to a grievance hearing.

127. Two further changes to the procedures were requested by the Committee. Firstly, it was proposed that in Annex A to Appendix A under the appellant's case there should be reference to the Presenting Officer being able to ask questions. Secondly, members asked that under exchange of documents in section 4 of each Appendix, the sentence 'Appellants are 'encouraged' to provide this information in their letter of appeal' should be changed to read 'must provide'. In addition the Principal Manager Policy and Practice said she would reword the phrase 'skeleton arguments' in section 8 of both of the appendices. It was also agreed that in Appendix A under 'Date of the Hearing', the two bullet points setting out by whom the appellant could be represented would be shown as one.

128. Resolved -

- (1) That the Staff Appeal Panel procedures be amended, as set out at Appendices A and B to the report, subject to the further changes set out at minute 127 above, to make the default format limited to the grounds of the employee's appeal;
- (2) That the procedures are amended to enable the appeal to be run as a re-hearing where this is necessary to address a procedural flaw;
- (3) That the procedures are amended to describe the format of both types of hearing;
- (4) That the procedures are amended to include a management feedback stage;
- (5) That separate guidance is provided for Staff Appeals Panel members, for employees and for the Presenting Officer for the management side; and
- (6) That the new arrangements are covered in the next training session for the Staff Appeals Panel in April 2015.

Review of Financial Regulations and Financial Procedures

129. The Committee considered a report by the Executive Director Corporate Resources and Services and the Director of Law, Assurance and Strategy on revisions to Financial Regulations and Procedures following a thorough review to reflect the current organisational structure and processes, together with an additional sheet of changes to update to the External Audit section of Financial Procedures following the demise of the Audit Commission which was circulated (copies appended to the signed minutes). The Committee was asked to endorse the changes prior to approval by the Regulation, Audit and Accounts Committee.

130. The Executive Director Corporate Resources and Services commented that Financial Regulations and Procedures were important documents and the review had particularly focused on making it clear that they applied to work undertaken by contractors as well as by the County Council's own staff. The opportunity had been taken to add new areas such as banking arrangements and the Pension Fund as well as to update existing sections.

131. The Committee welcomed the proposed changes and supported the recommendation that Financial Regulations and Procedures should in future be reviewed every three years. It was noted that some of the cross-references in the documents needed to be checked before submission to the Regulation, Audit and Accounts Committee for approval.

132. Resolved –

- (1) That the revised Financial Regulations and Financial Procedures be endorsed for onward approval by the Regulation, Audit and Accounts Committee on 16 March 2015; and
- (2) That the Financial Regulations and Financial Procedures are reviewed every three years.

Pay Policy Statement 2015/16

133. The Committee considered a report by the Director of Workforce, Organisational Development and Delivery Support on the Pay Policy Statement 2015/16 (copy appended to the signed minutes). Members were reminded that the Localism Act required the County Council to produce a Pay Policy Statement which had to be approved by the full Council. The report outlined amendments required to the statement to provide further detail and clarify the pay arrangements for staff who had transferred into the authority from the former West Sussex Primary Care Trust. The Committee was asked to endorse the Pay Policy Statement for recommendation for adoption and approval by full the Council at its meeting on 27 March 2015.

134. In relation to the published pay ratio, members asked how the County Council compared with other local authorities. The Principal Manager Policy and Practice gave some figures for other authorities in the local area all of which were higher than the County Council's ratio. The Cabinet Member for Finance commented that when the measure had first been introduced the Council's ratio had been higher and commended the organisation on the introduction of a flatter range of salaries.

135. The Cabinet Member for Corporate Relations proposed that paragraph 5.2 of the policy should be amended to reflect the fact that senior managers on Hay grades who were not at the top of their grade and did not receive a mark of at least three in their annual performance development review would not receive an increment.

136. Mr Burrett questioned whether the inclusion of the words '(England) Regulations 2014' in paragraph 9.3 of the policy was necessary and whether the fact that paragraph 4.3 referred to a local pay framework for consultants in Public Health whereas paragraph 5.6 referred to a national framework was correct. The

Principal Manager Policy and Practice said she would check and let Mr Burrett know and make consequential amendments to the policy if necessary before submission to the County Council for approval.

Note by Principal Manager Policy and Practice in relation to the queries in minute 136 above:

The words '(England) Regulations 2014' will be replaced with '2015' in paragraph 9.3.

In relation to the query about the amendment to paragraph 4.3, consultants in Public Health are on pay scales that are determined locally. At the point of transfer to the County Council in April 2013 these staff were paid on nationally determined pay points.

However, the County Council has subsequently approved and implemented locally determined annual pay awards (effective from April 2014 and April 2015) and, as a result, the local pay points and pay arrangements differ from those currently in place nationally. The pay progression for staff employed on an NHS Consultant Contract as set out in paragraph 5.6 is determined by a national framework that specifies the years of service required and criteria for assessment. This is as set out in the Terms and Conditions – Consultants (England) 2003. However, as explained above in relation to paragraph 4.3, the actual pay points currently differ from those in place nationally.

To clarify the position the text in paragraph 5.6 will be rewritten to read as follows for submission to the County Council for approval:

5.6 Staff employed on an NHS Consultant Contract are eligible for pay progression by fulfilling the required number of years' service, subject to meeting the criteria set out in the Terms and Conditions – Consultants (England) 2003.

137. Resolved – That the proposed revisions to the pay policy statement, as set out at the Appendix to the report, subject to the amendment in minute 135 and the further amendments required as a result of the queries set out in minute 136, be endorsed for recommendation to the County Council.

Review of Council Working Group

138. The Committee considered a report by the Director of Law, Assurance and Strategy on the recommendations of the working group set up to consider the format of Council meetings (copy appended to the signed minutes). The aim of the changes was to introduce greater flexibility in what business was considered at each meeting. Members were asked to endorse the proposals for recommendation to the County Council on 27 March 2015. In introducing the report the Chairman stressed that the proposals were based on the results of the two member surveys.

139. Members noted that the word 'business' should be added to the end of the first bullet point in paragraph 2.4 of the report and that the amendment to Standing Order 15(12) in the Appendix should read 'contained **within** the report'.

140. Members were generally supportive of the proposals and welcomed the increased flexibility in agenda planning. Some members thought time limits for speeches were unnecessary and could cause issues but others commented that the Chairman had discretion to allow a longer time if appropriate which would provide a safeguard. The Chairman reminded members that the proposals were based on the views of the majority of Council members as expressed via the questionnaires and could be reviewed in due course if necessary.

141. The Leader commented on the proposals for time limits on debates on notices of motion and expressed the view that the proposed three-minute limit for speeches by members other than the proposer or responder was too short. After some discussion the Committee agreed that the time limit should be extended to five minutes.

142. In relation to the issues for further discussion raised in paragraph 3 of the report the Committee considered that the order of business as proposed in Standing Order 14 was sensible. Members also felt that the order of the three question times should be left as it was at the current time.

143. There was some discussion about whether there should be further consultation with members before the proposals were considered by full Council, perhaps by way of a session at a Member Day. However, the Chairman reminded members that the recommendations were based on the results of two surveys and had been drawn up by a cross-party working group. The Leader requested that the item should be positioned on the Council agenda so as to allow a full debate. She also requested that the proposed survey of members to check if the new arrangements had been successful should include a general overview of the way Council meetings were working and not be limited to the things that had been changed. It was proposed that the Chairman should write to all members in advance of the Council meeting to raise the profile of the review and highlight the opportunity to debate the proposals.

144. In response to a question the Director of Law, Assurance and Strategy confirmed that the proposed time limits on motions applied only to notices of motion and not to debates on policy framework items such as the budget. The Chairman reminded members that the recommendations proposed discretion to the Chairman to alter or limit the number of items on an agenda should a major item warrant significant time for debate. The Director of Law, Assurance and Strategy said he would ensure that the report to Council made clear the consequences of the proposals.

145. Resolved –

- (1) That the recommended changes to County Council meetings set out in paragraphs 2.2, 2.3 and 2.4 and in the Appendix to the report, subject to the minor corrections in minute 139 above and the time limit change in minute 141, be endorsed for submission to the meeting of the County Council on 27 March 2015;
- (2) That, in relation to the points raised in paragraph 3 of the report, the indicative order of business in Standing Order 14 be agreed and that no change be made at the current time to the order of the three question time reports; and

- (3) That a survey of all members be carried out after the meeting of the County Council in October 2015 on how effective the new arrangements have been, together with a general overview of Council meetings, to be considered by the Committee in November 2015.

Minor Changes to the Scheme of Delegation

146. The Committee considered a report by the Director of Law, Assurance and Strategy on a number of minor changes to the officer delegations in the Scheme of Delegation in the Constitution to reflect recent changes in the organisational structure (copy appended to the signed minutes).

147. As a result of points raised by members further amendments were agreed as set out below:

- Paragraph 132.4 – amend 'statutory' to read 'statutorily'
- Paragraph 132.5 – delete '(jointly with the Cabinet Member for Education and Skills)'
- Paragraph 235 – add 'Leader' after 'Cabinet Member for Corporate Relations' in the right-hand column

148. In response to a question about the deletion of the words 'employer and' in paragraph 209, the Director of Law, Assurance and Strategy commented that the general delegation to all directors was in terms of service provision whereas the obligation as an employer fell to the Executive Director Corporate Resources and Services who had responsibility for HR.

149. Resolved – That, subject to the further amendments set out at minute 147 above, the changes to the Scheme of Delegation, as set out at the Appendix to the report, be approved.

Scheme of Delegation – Write Off of Irrecoverable Debts

150. Members were informed that on 12 September 2011 the Committee had considered a report on the Scheme of Delegation including the delegation to the then Director of Finance and Assurance (now the Executive Director Corporate Resources and Services) to write off irrecoverable debts. At that point the level of the delegation had been set at amounts of less than £15,000 (at 1 April 2011) and it was agreed that the amount should be reviewed every two years with effect from 1 April (minute 63(11/12) refers). The level was last reviewed in January 2013 when the level had been left at £15,000.

151. The Committee was asked to note that, in line with the resolution, the Executive Director Corporate Resources and Services had been consulted and had confirmed that level of delegation remained appropriate and no change was required.

152. Resolved – That the position be noted.

Pension Advisory Board – Changes to Terms of Reference

153. The Committee considered a report by the Executive Director Corporate Resources and Services and the Director of Law, Assurance and Strategy on

changes to the terms of reference of the Pension Advisory Board (copy appended to the signed minutes). Members were reminded that the terms of reference of the Pension Advisory Board had previously been endorsed by the Committee and approved by the County Council. This had been based on draft regulations, to allow work to proceed and not be delayed until regulations were finalised by Government. The final regulations had now been published and the terms of reference needed to be amended slightly prior to the Board being implemented from April. The Committee was asked to endorse the changes set out in the report for recommendation to the County Council on 27 March 2015.

154. Members expressed some concern about the inclusion in the regulations of a bar on independent chairmen voting. However, they were reassured that it was unlikely to be a problem as the Board would be undertaking a scrutiny function and in practice votes were likely to be rare.

155. Resolved – That the changes to the terms of reference for the Pension Advisory Board, as set out at the Appendix to the report, be endorsed for recommendation to the County Council.

Electoral Review Panel membership

156. The Committee was informed that the County Council at its meeting on 13 February 2015 had agreed to a change in membership of the Electoral Review Panel which had resulted in there being no member representing the Arun district. As the constitution of the Panel required there to be at least one member from each district, the Committee was asked to approve the replacement of Dr Dennis on the Panel with Mr Oppler.

157. Resolved – That Mr Oppler be appointed to the Electoral Review Panel in place of Dr Dennis.

Date of Next Meeting

158. Members noted that the next meeting of the Committee would be held at 2.15 p.m. on Monday, 27 April 2015.

The meeting ended at 4.03 p.m.

Chairman