

## **AUDIT & GOVERNANCE COMMITTEE**

**MINUTES** of the meeting held on Wednesday, 14 December 2016 commencing at 2.00 pm and finishing at 3.00 pm

**Present:**

**Voting Members:** Councillor Sandy Lovatt – in the Chair

Councillor David Wilmshurst (Deputy Chairman)  
Councillor David Bartholomew  
Councillor Yvonne Constance OBE  
Councillor Tim Hallchurch MBE  
Councillor Nick Hards  
Councillor Alison Rooke  
Councillor John Tanner

**Non-voting Member:** Dr Geoff Jones

**By Invitation:** Alan Witty (Ernst & Young)

**Officers:** Sarah Cox, Chief Internal Auditor; Ian Dyson, Assistant Chief Finance Officer Assurance; Nick Graham, Chief Legal Officer; Steve Munn, Chief Human Resources Officer; Glenn Watson, Principal Governance Officer; Sue Whitehead (Corporate Services)

*The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.*

### **71/16 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS**

(Agenda No. 1)

An apology was received from Councillor Roz Smith.

### **72/16 MINUTES**

(Agenda No. 3)

The Minutes of the meeting held on 9 November 2016 were approved and signed as a correct record subject to the following amendments:

Minute 64/16 – 5<sup>th</sup> bullet point to be amended by the addition of the word ‘to’ between the words ‘order’ and ‘reduce’.

Minute 65/16 – Additional sentence to be added: “Councillor Bartholomew raised a further question about the departure of the Director for Transformation and Mr Dyson confirmed that he was not aware of any further issues the Committee needed to be made aware of.

2<sup>nd</sup> bullet point to be amended to read: although the term ‘customer’ was used a lot in documentation, some members preferred the terms residents, business etc.

Councillor Hards commented that in relation to the final bullet point the point had been that the provision of assistance needed to be expanded.

## **73/16 SENIOR MANAGEMENT REVIEW**

(Agenda No. 5)

Audit & Governance Committee had before them a report asking them to note progress made with the Senior Management Review and to approve the proposed recommendations including a new structure. Views from the Committee were to be considered by Cabinet on the 20 December in advance of final decisions at that meeting. The report referenced associated work carried out on the unitary debate as well as transformation of services and identified potential savings to be gained from reductions in senior management posts.

In response to comments concerning the timing of this meeting following consideration by Council it was explained that the main thrust for this Committee was to examine the proposals in relation to governance. It gave them a structured opportunity to make comments on governance implications to feed into the Cabinet decision. None the less the Committee felt that this meeting should have been held before the County Council meeting of the 13 December 2016, so that their views could have fed into the County Council debate.

During discussion the following points were made:

1. Members queried the interim nature of the Strategic Director for People. The Chief HR Officer explained that this enabled the organisation to keep options open and review the structure in 12 months. The proposed post holder will keep his statutory Director of Public Health role but will take on additional responsibilities, on the same salary, to enable the Council to make the most of his skills and experience in bringing Public Health, Adults and Childrens Services together.
2. A number of Members raised concerns about the job title of Assistant Chief Executive, particularly around:
  - The seniority implied by the job title despite it not being the formal Deputy to the Chief Executive
  - Lack of clarity about why this job title is so different from the others in the Resources directorate
  - Lack of clarity about the remit of the role and its potential to be misleading
  - Concerns that ‘scrutiny’ had not been part of this job title and that it should be.

The Chief HR Officer emphasised that this role was not the deputy for the Chief Executive which would be undertaken by the Strategic Directors. There would be no change in job role or salary but the title was vital to use with external partners, (especially concerning our unitary bid) who need to know they are dealing with someone who has significant responsibility within the organisation.

3. Members queried the strategy of recruiting internally and whether they could be sure that the Council was not missing out on the best person for the job. The Chief HR Officer explained that Penna had assessed our Deputy Directors as part of the review and found them to be capable and willing to make the next step to Directors. The intention was to capitalise on this in order to retain our talent and save on recruitment costs. However, if approved, once this structure was complete further recruitment processes would include an external search.
4. In response to questions on how long the implementation would take Committee were advised that if approved by Cabinet in December the intention would be to implement by the end of January.
5. The Committee discussed the proposed savings and supported the approach. A question was asked as to why Finance did not sit in Communities given the current infrastructure challenges. The Chief HR Officer explained that the purpose of the structure was to deliver increased flexibility based upon need at any particular time. At present, given the Transformation agenda the County Director felt Finance needed to be in Resources, but there was no reason why Finance couldn't move to Communities in the future. Indeed all services under this model could be moved if circumstances dictated.
6. Committee queried whether a team reward structure would be more appropriate for the roles in this structure? This would further encourage working together rather than as individuals. The Chairman noted that this was the remit of Remuneration Committee rather than this Committee and the Chief HR Officer said he would include this idea in a future paper for Remuneration Committee.

**RESOLVED:** to note the progress made to date on the Senior Management Review; and to endorse the Senior Management Review recommendations and proposed structure subject to the following comments:

- The majority of this Committee believes the title Assistant Chief Executive to be misleading. The Committee requests consideration is given to a title more reflective of the role including policy and scrutiny (by a show of hands with 6 votes for, to 1 against with 1 abstention).
- The Committee noted that they would have preferred to have reviewed the proposals prior to full Council doing the same.

**74/16 SCALE OF ELECTION FEES AND EXPENDITURE 2017-18**

..... (Agenda No. 6)

Each year the Council needs to set a scale of election fees and expenditure for the holding of elections of county councillors. In September 2016, the Committee agreed a scale of fees to apply for the remainder of the 2016/17 year. It was noted then that a fuller review would be needed for the scale of fees and expenditure to apply in 2017/18, particularly for the May 2017 County Council elections.

A full review has therefore been undertaken in consultation with the City and District Councils which have, of course, held various elections and the EU Referendum since the 2013 County Council election. The Audit & Governance Committee considered a report that presented a revised scale of fees and expenditure which brings the scheme up to date.

Responding to questions Glenn Watson, Principal Governance Officer indicated that in respect of 10(e) the training fees were not going to individual staff members but were split between trainer and trainee and the figure was a ceiling on fees. He highlighted the detail on 10(d) set out on page 29 of the report.

**RESOLVED:** to approve the Scale of Expenditure for the financial year 2017/2018, as shown in Annex A to the report, for the election of County Councillors and any other local referendums.

..... in the Chair

Date of signing 2016