

AT A MEETING of the EMPLOYMENT IN HAMPSHIRE COUNTY COUNCIL COMMITTEE held at The Castle, Winchester on 11 November 2015.

**PRESENT:**

**Chairman:**  
**Councillor Stephen Reid**

Councillors:

|   |                |   |              |
|---|----------------|---|--------------|
| p | Vaughan Clarke | a | Chris Lagdon |
| p | Adrian Collett | a | Roy Perry    |
| p | Keith Evans    | p | John Wall    |
| a | Keith House    |   |              |

Councillor Roger Huxstep attended the meeting as the Conservative Group Substitute Member in accordance with Standing Order 24.3.

The Chairman had invited Councillors Rob Humby and Mark Kemp-Gee to attend for the discussion on Item 5 on the Agenda. Councillor Kemp-Gee was in attendance and apologies were noted from Councillor Humby who was engaged in Council business elsewhere.

**78. BROADCASTING ANNOUNCEMENT**

The Chairman announced that press and members of the public were permitted to film and broadcast this meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording for broadcasting purposes.

**79. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Keith House, Chris Lagdon and Roy Perry.

**80. DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest and, having regard to Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Personal Interest in a matter being considered at the meeting they considered, having regard to Part 5, Paragraph 4 of the Code, whether such interest should be declared, and having regard to Part 5, Paragraph 5 of the Code, considered whether it was appropriate to leave the meeting while the matter was discussed, save for exercising any right to speak in

accordance with the Code.

At this point of the proceedings the Head of Governance and Monitoring Officer reminded Members that a dispensation was in place enabling them to participate in and vote on any business of the County Council relating to the Members' Allowances Scheme (Item 5 on the Agenda).

**81. MINUTES**

The non-exempt Minutes of the Employment in Hampshire County Council (EHCC) Committee meeting held on 8 July 2015 (Item 3 in the Minute Book) were confirmed as a correct record and signed by the Chairman.

**82. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman extended a welcome to members of the Independent Remuneration Panel (IRP), Julia Abbott and Roger Farrall, as observers; to Councillor Mark Kemp-Gee in respect of Item 5 on the Agenda, and John Coughlan to what was his first meeting of the Committee as Chief Executive.

**83. AMENDMENTS TO THE MEMBERS' ALLOWANCES SCHEME**

The EHCC Committee considered the report of the Chief Executive (Item 5 in the Minute Book) setting out the recommendations of the Independent Remuneration Panel (IRP) for amendments to the Members' Allowances Scheme in light of changes to the County Council's governance arrangements. The minutes of the IRP meeting held on 14 October 2015 were appended to the report (Appendix 1).

In presenting the report, the Head of Governance and Monitoring Officer confirmed that work undertaken by the IRP was to consider specific amendments to the current Members' Allowances Scheme rather than reviewing the Scheme in its entirety, as follows:

- a) that revised Special Responsibility Allowances in the sum of £11,586 and £2,901 per annum respectively be payable for the role of Chairman and Vice-Chairman of the Pension Fund Panel and Board, backdated to 1 April 2015; and
- b) that a Special Responsibility Allowance in the sum of £4,345 be payable for the new role of Assistant to the Executive – Rural Affairs Champion, backdated to 22 May 2015.

Members indicated their support of the IRP's recommendations. The Chairman thanked the IRP for its work in this regard and for their attendance at the meeting.

RESOLVED:

That the EHCC Committee recommends to the County Council that approval be given to amendment of the Members' Allowances Scheme for 2015/16, which takes into account the recommendations of the Independent Remuneration Panel, and the views of the EHCC Committee.

**84. UPDATE ON PROPOSED GOVERNMENT POLICY CHANGES**

The EHCC Committee considered the report of the Director of Corporate Resources (Item 6 in the Minute book) outlining two significant policy changes proposed by the Government. The first would see the introduction of restrictions on exit payments for public sector employees by way of setting an exit payment cap of £95K to include employer LGPS pension strain charges. The second was the Trade Union Bill which proposed various reforms to the law regulating trade unions in regard to industrial action and the contribution to political funds by Trade Union members. The County Council had responded to Government consultations in respect of both.

Members noted that subsequent to the publication of the Agenda papers, draft Regulations in the form of the Public Sector Exit Regulations 2016 and the Repayment of Public Sector Exit Payment Regulations 2015 had been produced and were likely to be implemented as part of the draft Enterprise Bill, which was introduced to the House of Lords on 16 September 2015. The Head of Governance reported that once Royal Assent was granted, the draft Regulations were likely to come into force soon afterwards. The Head of Governance also reported that there may be possible conflict with the Pension Regulations, which was being looked into.

Members considered the implications of both a redundancy cap and the repayment of exit payments in certain circumstances in relation to the potential operational impact and the effect on staff morale. The County Council had been successfully remodelling the organisation and delivery of services through transformation programmes for which a significant contribution had been made by members of staff deciding to leave the organisation via voluntary redundancy. Members expressed concern that the introduction of the proposed regulations could adversely affect transformation programmes going forward, reduce the flexibility of voluntary redundancy and lead to different choices being made by members of staff planning for retirement. They also expressed concern regarding the administrative complexities involving the application of these changes.

In conclusion, Members were of the view that although the County Council had responded to Government consultations, further representations may be made reflecting the views of the EHCC Committee.

RESOLVED:

That EHCC Committee noted the update and that:

- (a) Government proposals are to introduce a £95,000 cap on exit payments but that timescales are uncertain;
- (b) Government policy changes are also underway with regards the Trade Union Bill; and
- (c) further representations may be made to reflect the views of the Committee.

**85. HAMPSHIRE COUNTY COUNCIL PAY STATEMENT – FINANCIAL YEAR 2016/17**

The EHCC Committee considered a report of the Chief Executive (Item 7 in the Minute Book) outlining the requirements on the County Council in respect of pay accountability and setting out the proposed Pay Statement for the financial year 2015/16 for recommendation to the County Council. In presenting the report, the Head of Governance and Monitoring Officer confirmed that the report was an update to last year's position given that the Pay Statement was an annual item required under the provisions of the Localism Act 2011 for approval by full Council before the end of March each year.

RESOLVED:

- (a) That the EHCC Committee recommend to the County Council approval of the Pay Statement as detailed in this report and at Appendix C, setting out the County Council's policies in respect of pay accountability for the financial year 2016/17 in accordance with the requirements of the Localism Act,
- (b) That the EHCC Committee recommends to the County Council that it remains the appropriate Committee to agree Chief Officer remuneration, for Chief Officers above Grade K, including individual salary offers in respect of any new Chief Officer appointments, any changes to Chief Officer salaries after appointment and any severance packages for Chief Officers leaving the County Council, in accordance with the Pay Statement.
- (c) That the EHCC Committee delegates authority to the Chief Executive, in consultation with the Chairman of the EHCC Committee, to make any changes to the draft Pay Statement consequential upon any changes to legislative requirements or other statutory guidance or changes to salaries of staff

determined prior to consideration of the Pay Statement by full Council.

**86. EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That the press and public be excluded from the meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information within Paragraphs 3 and 4 of Part I of Schedule 12A to the Local Government Act 1972, being information relating to the financial or business affairs of any particular person (including the Authority holding that information), and information relating to any consultations or negotiations, or contemplated consultations or 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 which should not be disclosed for the reasons set out in the report.

**87. EXEMPT MINUTE**

The exempt Minute of the meeting held on 8 July 2015 (Item 9 in the Minute Book) was confirmed as a correct record and signed by the Chairman.

**88. 2016 PAY REVIEW AND LIVING WAGE**

The EHCC Committee considered and approved the exempt report of the Director of Corporate Resources (Item 10 in the Minute Book) regarding the 2016 pay review and living wage.

(SUMMARY OF AN EXEMPT MINUTE).

**89. ENHANCED VOLUNTARY REDUNDANCY 2 (EVR 2) – NEW PROPOSAL**

The EHCC Committee considered and approved the exempt report of the Director of Corporate Resources (Item 11 in the Minute Book) regarding a new proposal for an Enhanced Voluntary Redundancy Scheme (EVR 2).

(SUMMARY OF AN EXEMPT MINUTE).

**90. MANAGEMENT CAPACITY – UPDATE**

The EHCC Committee considered and approved the exempt report of the Chief Executive (Item 12 in the Minute Book) providing an update on management capacity to support the County Council's Transformation Programmes.