

Coventry City Council
Minutes of the Meeting of the Audit and Procurement Committee held at 2.30 pm
on Wednesday, 27 October 2021

Present:

Members: Councillor R Lakha (Chair)
Councillor J Blundell
Councillor G Hayre
Councillor A Hopkins (substitute for Councillor M Ali)
Councillor T Sawdon
Councillor B Singh

Employees (by Service):

Chief Executive M Reeves (Chief Executive)

Finance B Hastie (Director of Finance)

Human Resources S Newing (Director of Human Resources)

Law and Governance J Newman (Director of Law and Governance), M Salmon

Others Present: Mark Stocks, External Auditor (Grant Thornton)

Apologies: Councillor M Ali
Councillor R Brown (Cabinet Member for Strategic
Finance and Resources - Invited)

Public Business

29. Declarations of Interest

There were no disclosable pecuniary interests.

30. Exclusion of Press and Public

RESOLVED that the Cabinet agrees to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the private report in Minute 35 below headed 'Severance Package Approvals' on the grounds that the report involves the likely disclosure of information as defined in Paragraph 3 of Schedule 12A of the Act, as it contains information relating to the financial affairs of a particular person (including the authority holding that information) and in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

31. **Framework for Organisational Change**

The Audit and Procurement Committee considered a report of the Chief Executive that detailed a revised framework to increase and strengthen the process and governance arrangements for organisational change.

In November 2020 the Government introduced the Restriction of Public Sector Exit Payments Regulations 2020, more commonly known as the 'Exit Cap', which in essence restricted the cost of payments employees were currently entitled to receive if aged over 55 if they left the local government as a result of redundancy or efficiency. The Government quickly rescinded the legislation which meant the 'cap' of £95k was removed. It was likely the Government would reintroduce the 'cap' in the not too distant future. In the light of these expected changes and the potential need to reconfigure services for efficiency, the process and governance arrangements for organisational change were being strengthened. The report set out broad details of the framework being introduced which provided this additional governance and oversight that was being established.

There were a number of policies and processes in place to support organisational change, with the starting point being the development of a business case, equality impact assessment and consultation plan for the affected staff and trade unions. The arrangements would be further improved by managing all services changes and re-organisations through a revised framework. This framework had a new business case format which now required the Director of Finance and the Director of Human Resources sign-off prior to consultation to ensure consistency of approach, that all the costings had been completed, and to demonstrate full consideration had been given to the proposals and their implementation before any consultation or change process could commence. Further approval would then be required after the consultation process has concluded and actual changes were made.

Along with those changes, the redeployment process was being strengthened so there was a clear process which would provide alternatives to redundancy to avoid losing knowledge and skills that could and should be retained within the Council. As a result, the related policies and processes were being reviewed and revised if required to make sure they were fit for purpose. They would, where appropriate, be subject to consultation with the trade unions.

Through making these changes, assurance would be provided that the Council's internal processes were being robustly managed to support and make change in accordance with the relevant legislation.

RESOLVED that the Audit and Procurement Committee notes the revisions to the reorganisation process, its reasonings, and responsive approach to the context in which the Council is operating.

32. **Outstanding Issues**

The Audit and Procurement Committee considered a report of the Director of Law and Governance which identified issues on which a further report / information had been requested or was outstanding, so that Members were aware of them and could manage their progress.

Appendix 1 to the report provided details of issues where a report back had been requested to a meeting, along with the anticipated date for consideration of the Matter.

Appendix 2 of the report provided details of items where information had been requested outside formal meetings, along with the date when this had been completed.

Members were reminded that Audit and Procurement Committee Treasury Management Training had been scheduled for 1pm on 1st November 2021.

RESOLVED that the Audit and Procurement Committee notes the Outstanding Issues report.

33. Work Programme 2021/2022

The Audit and Procurement Committee considered a report of the Director of Law and Governance which set out the Work Programme of scheduled issues to be considered by the Committee during the Municipal Year 2021/2022.

RESOLVED that the Audit and Procurement Committee notes the Work Programme for 2021/2022.

34. Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.

There were no other items of public business.

Private Business

35. Severance Package Approvals

The Audit and Procurement Committee considered a report of the Chief Executive which sought approval of severance packages for employee redundancies which had occurred due to organisational change and service redesign.

Part 2I of the Council's constitution required that any severance package for an employee of the Council of £100,000 or over should be determined by the Audit and Procurement Committee. The calculation of the value of an exit package included the costs to the Authority, as well as payments / benefits to the employee.

RESOLVED that the Audit and Procurement Committee:

- 1) Approves the severance packages of the redundancies as calculated.**
- 2) Requested that an appropriately structured business case document aligned to the proposals, be attached to future reports.**

36. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 4.15 pm)