



People, Performance and Development Committee  
29 September 2015

**Arrangement for the Appointment of Senior Managers to the  
Orbis Joint Partnership between Surrey County Council and  
East Sussex County Council**

**Purpose of the report:**

This report sets out arrangements for the People, Performance and Development Committee's (PPDC) Appointments Sub-Committee for appointments to Senior Management positions (pay grades S15 and above) to the Orbis Joint Partnership between Surrey County Council and East Sussex County Council.

This report is being brought to the Committee as it has responsibility for appointing to senior management positions within Surrey County Council including the Orbis partnership with East Sussex County Council.

**Recommendations:**

It is recommended:

1. That PPDC recommends to the Council that the Constitution be amended to institute a formalised arrangement for the appointment of senior managers to the Orbis Joint Partnership, where Surrey County Council is the authority paying for the post, to allow a Member of East Sussex County Council to sit on and participate in the Appointments Sub-Committee as a co-opted Member without the ability to exercise voting rights.
2. That, pending a decision being made by the County Council at its meeting on 13 October 2015, a Member of ESCC be invited to attend and participate (but not vote) in Appointments Sub-Committees for appointments to senior management positions within the Orbis Partnership.

## Introduction:

1. On 15 April 2015, Surrey and East Sussex County Councils established a joint public sector partnership, 'Orbis', with the vision to develop an integrated business service offering to their staff and customers.
2. Orbis builds on the already successful partnership between Surrey and East Sussex delivering shared services, 'South East Shared Services', (including Accounts Payable, Accounts Receivable, Payroll, Expenses and Pensions Administration). Furthermore, Surrey and East Sussex procurement departments have been operating as a joint procurement service since 2012.
3. Orbis is formed of the following functions:
  - HR & OD
  - Property
  - Information Technology
  - Procurement
  - Finance
  - Business Operations (previously known as Shared Services)
4. Local authorities face the challenge of needing to deliver high quality services to the taxpayer at a lower cost. Working in partnership will enable the sharing of knowledge, skills and experience to identify the best and most innovative approach to ensuring sustainability and maximise the use of resources whilst to continuing to provide a quality service.
5. By integrating services and expanding economies of scale, adopting common practices and jointly investing in technology, it is anticipated that significant savings will be achieved which will be used to sustain services for the residents of Surrey and East Sussex.
6. Whilst the above functions will be integrated across the partnership, staff will continue to be employed by their 'sovereign' organisation on their terms and conditions. Some of the management roles will be joint positions, providing a service for both Surrey and East Sussex County Councils and managing staff from both organisations. It is therefore anticipated that Members from both organisations would wish to be involved in the appointment process for these positions, regardless of which organisation legally becomes the employer for the purpose of their pay and conditions of employment.
7. While there are no statutory restrictions which would prevent a Member of East Sussex County Council (ESCC) from sitting on and participating in Surrey County Council's (SCC) Appointments Sub-Committee, Section 13 of The Local Government and Housing Act 1989 does prohibit Members from another authority voting on such decisions. Furthermore, allowing a Member from ESCC to vote on the appointment of posts being paid for by SCC could also have more wide-ranging implications for pay structures across both organisations and which could potentially result in an obligation to align pay grades across ESCC and SCC and assumption

of a joint legal responsibility to address any pay inequalities across the two organisations.

### **Proposals**

8. It is proposed that the People, Performance and Development Committee (PPDC) recommends to the Council that it agrees an amendment to the Constitution which, where SCC is the authority paying for the post, enables an ESCC Member to sit on and participate in Appointment Sub-Committees for Orbis appointments as a co-opted Member but is unable to exercise a vote on the decision.
9. It should be noted that ESCC will also institute this arrangement and that a Member from SCC will be invited to attend Appointments Sub-Committees for Orbis appointments at ESCC where they are the organisation paying for the post.
10. It is further proposed that, pending a decision being made by the County Council at its meeting on 13 October 2015, a Member of ESCC be invited to attend and participate (but not vote) in Appointments Sub-Committees for appointments to senior management positions within the Orbis Partnership.

### **Conclusions:**

11. Section 13 of The Local Government and Housing Act 1989 prohibits a Member of ESCC exercising voting rights on SCC's Appointments Sub-Committee. To ensure that ESCC can participate in senior management appointments made by SCC to the Orbis Joint Partnership, it is suggested that PPDC recommend an amendment in the Constitution to the Council to allow a Member of ESCC to sit on and participate in the Appointments Sub-Committee for Orbis appointments but without the ability vote.
12. It is recommended that pending a decision being taken by the Council on 13 October 2015, a Member from ESCC be invited to sit on and participate in Orbis Appointments Sub-Committee meetings which take place prior to the meeting as a co-opted Member without the ability to exercise voting rights.

### **Financial and value for money implications**

13. None

### **Equalities and Diversity Implications**

14. There are no equalities and diversity implications.

### **Risk Management Implications**

15. There is a risk that failing to amend the Constitution to allow an ESCC Member to take part in SCC Appointments Sub-Committee meetings for

appointing Orbis senior management positions could impact negatively on relationships between the two organisations and therefore damage the Orbis Joint Partnership.

### **Legal Implications**

16. A failure to amend the Constitution could result in contravention of Section 13 of The Local Government and Housing Act 1989 by not making it clear that ESCC Members can take part in SCC Appointments Sub-Committees for appointing Orbis senior management positions provided they do not exercise a vote. Further, there will equal pay implications if ESCC Members exert control over the decision making powers of SCC Appointments Sub-Committees through the exercise of voting rights. In such circumstances, both authorities could be treated as one single organisation for equal pay purposes with a joint legal responsibility for rectifying pay inequalities across the two organisations.

<b>Next steps:</b>
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If PPDC agrees to implement then a proposal to amend the Constitution accordingly will be put forward at the next meeting of the Council.

An ESCC Member will be invited to attend Appointment Sub-Committees for appointing to Orbis senior management positions that take place prior to the decision taken by Council.

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**Sources/background papers:**

- The Local Government and Housing Act 1989.