



JOINT OVERVIEW AND SCRUTINY COMMITTEE

Minutes of a meeting of the Joint Overview and Scrutiny Committee of Breckland and South Norfolk District Councils held at South Norfolk House, Long Stratton on 17 March 2010 at 4.30 p.m.

Committee

Members Present:

Councillors P Cowen (Chairman for the meeting)
G Bambridge, L Dale, D Goldson,
J Herbert, J Labouchere and T Lewis

Apologies:

Councillors D Irving, C Kemp, J Rogers

Substitutes:

Councillors M Dewsbury, (for C Kemp) R Kybird (for J Rogers)

Also in

Attendance:

Councillors J Fuller, T Game, N Legg, R Savage, B Spratt,
A Thomas, M Wilby,

Officers in

Attendance:

The Chief Executive (SD), the Director of Corporate Resource, the Project Manager Shared Services, the Executive Assistant, the Scrutiny Officer (EN), the Scrutiny Officer (MB) and the Director of Finance and Governance

1 ELECTION OF THE CHAIRMAN

Cllr P Cowen (BC) was nominated, seconded and elected Chairman for the meeting. Cllr Cowen advised the meeting that Cllr C Kemp (SN) could not attend the meeting due to illness and sent him Committee's best wishes for a speedy recovery.

2 FORMAL ADOPTION OF THE TERMS OF REFERENCE AND RULES OF PROCEDURE

Members considered the Terms of Reference and Rules of Procedure and AGREED that paragraph 2.3 should be amended to:

'Two joint Chairmen of the Committee shall be appointed, to be the Chairman of each Authority's Scrutiny Committee/Commission. The role of Chairman shall alternate between Breckland District Council and South Norfolk District Council on a meeting by meeting basis, dependent on which Council is hosting the meeting.'

2 FORMAL ADOPTION OF THE TERMS OF REFERENCE AND RULES OF PROCEDURE (continued)

It was also AGREED that paragraph 2.4 be deleted.

Members AGREED that paragraph 7 be redrafted to emphasise that that the Joint Overview and Scrutiny Committee would review all Phases of the Shared Services project, not just Phase One.

RESOLVED: that the Terms of Reference and Rules of Procedure for the Joint Overview and Scrutiny Committee for Shared Services be adopted, subject to the agreed amendments.

3 EXCLUSION OF THE PUBLIC AND PRESS

It was proposed to exclude the public and press. However, this motion was not seconded and therefore the public and press were permitted to remain in the meeting.

4 FEASIBILITY REPORT

The South Norfolk Council Chief Executive introduced the report, which outlined the initial key elements of the Shared Services project. Following the successful bid for funding from the Regional Improvement and Efficiency Partnership (RIEP), Phase One of the project was underway and the first stage that members were requested to consider was the Feasibility Study. This study included the view of the consultants, the suggested timeframe and the advantages and risks associated with the project. This meeting presented an opportunity to consider the critical issues noted in the Executive Summary and to question the consultants.

Mr J Brooks, of Sector Treasury Services Limited, advised the Committee that the Feasibility Study had concluded that it was definitely possible for the two Councils to work closely together. The next stage of the process would be the Business Case, which would establish if the project should be taken forward and what the scope and scale of such an alignment of services would be. The key issues to establish at this meeting were the degree of political consensus between the Councils, the opportunities presented by the project and to assess if Shared Services would provide an equal beneficial outcome for both Districts. Three options had been put forward for consideration:

Option 1 – Single Service Delivery Organisation

Option 2 – Opportunistic Sharing

Option 3 – Shared Back Office

It was emphasised, however, that these options were not mutually exclusive.

4 FEASIBILITY REPORT (continued)

In response to a question regarding possible difficulties because of the differences in the cultures of the two Councils, despite their political alignment, Mr Brooks advised the meeting that although big differences did exist there were also large areas of commonality that would allow sharing services to work. However, those areas where Breckland had external delivery of services, such as Planning, Revenues and Leisure, would need to be taken into account during this process. He added that at this stage a common understanding of the pace of change and the practical steps that this would entail were critical to the project.

Cllr J Fuller (SN) addressed the meeting and advised members that it was essential for members to be sure about what they wanted to achieve by sharing services. Moreover, the stages necessary to achieve shared services and how the success of the project could be defined needed to be carefully considered. He suggested that it should result in the best services from each Council being made available to the residents of both Districts, as well as providing the opportunity for investment at levels that would not be available to the Districts individually. The process will require effort and resources, but he considered that the economies of scale would provide savings and improved services for residents of both Districts.

Members raised a number of concerns regarding the project, these included: the need for all members to understand the desired outcomes of the project, (an evidence base would be required for this) the resources that would be required for the project and how success would be measured. It was also noted that it may not be possible to improve services, given the expected reduction in government grant, but it was essential that services did not deteriorate. Members also requested that areas such as the 'vision' should be more clearly defined.

In response Mr Brooks advised members that the prognosis for rural districts over the next few years was not good, as budgets looked certain to be cut. Sharing services would be a measured response to external threats to sustaining services and it was difficult to see an alternative credible plan to tackle this. The vision was, therefore, to adapt and survive and produce organisations that could deliver sustainable services together with the resources to invest in the face of a reduction in government grant.

To adapt to these changes would require a shift in service delivery and capacity, to make the estimated £1m savings for each Council, as the process was brought forward. The Business Plan would recommend savings in areas such as IT, Finance and Legal Services. These savings were critical and it was difficult to see how service delivery could be sustained without producing such economies of scale, through a single common structured workforce.

The Chairman noted that the pace of the project was also dictated by the forthcoming General Election and the possibility that RIEP funding might not be available after it. Members also noted that the consultants had mentioned that the pace of the project should be carefully planned to ensure time for due diligence. It was also suggested that it be made clear what the outcomes of doing nothing would be and that the 'critical mass' of staff at both organisations be analysed as part of the Business Plan.

4 FEASIBILITY REPORT (continued)

Members noted that the breakdown of costs by service on page 34 of the report did not compare like with like in all cases and requested that a greater degree of analysis to allow a more meaningful comparison of costs be provided for the Business Plan, in order to clearly identify those service areas that could be shared most effectively.

Mr Brooks confirmed that the Business Plan would have an analysis of expenditure to allow costs to be contrasted and compared in detail.

Members also noted that Governance would be a major issue, which would need to be tailored to suit the business case in order to provide the best benefits and that in the early stages nothing should be decided that could not be undone at a later date. Concerns were also raised regarding the suggested programme/timeframe for the appointment of a Joint Chief Executive during the period July-September 2010. It was recommended that this process would be more beneficial if it started in September 2010.

Following further discussion it was proposed by Cllr L Dale (SN) and seconded by Cllr J Labouchere (BC) that Option 1 should be recommended to both Councils.

Cllr T Lewis (SN) also suggested that a single secretariat be appointed to administer the Joint Overview and Scrutiny Committee.

RESOLVED:

- a) that the Joint Overview and Scrutiny Committee recommend to their respective Councils Option 1, the Single Service Delivery Organisation, subject to the comments above, and with the proviso that Option 1 could also incorporate elements of Options 2 and 3;
- b) that a single secretariat should facilitate the administration of the Joint Overview and Scrutiny Committee and that the Executive Assistant at South Norfolk Council should undertake this duty.

5 FUTURE MEETINGS

Members noted that the next meeting, scheduled for 5 May 2010 in the agenda, would need to be deferred if the General Election was to be held on the following day. It was therefore likely the agreement of the legal framework would also be delayed.

The date and venue of the next meeting shall, therefore, be confirmed.

(The meeting concluded at 7.00 pm)

Chairman