

## SHARED SERVICES JOINT COMMITTEE

Meeting held at 3.30pm on Monday 12 October 2009 in the Wheel Room, Civic Centre, West Paddock, Leyland

### Present:-

Councillor Mr C Clark (in the chair)

Councillors Mr K Joyce (Chorley BC), Mr S M Robinson (South Ribble BC) and Mr G Russell (Chorley BC)

### In Attendance:-

Garry Barclay ( Synergy – Head of Shared Assurance Services), Gary Hall (Assistant Chief Executive (Business Transformation)(Chorley BC)) and Andy Houlker (South Ribble BC)

**Public Attendance:-** 1

**Other Members & Officers:-** 0

Min. No.	Description/Resolution
15	<p><b>Apologies for Absence</b></p> <p>Apologies for absence were received from Susan Guinness (Synergy – Head of Shared Financial Services) and Mike Nuttall (Corporate Director (Resources)(South Ribble BC)).</p>
16	<p><b>Minutes of the Last Meeting</b></p> <p>Clarification was sought and received on the reference to 18%. This related to the cost of overheads compared to direct costs, which for both councils was almost the same although they were calculated using different methodology.</p> <p>There was an enquiry if the suggestion that the councils' could review the partnership's arrangements should include an action and it was confirmed there was and this would be included under the item on the Forward Plan later on the agenda.</p> <p>RESOLVED: that the minutes of the meeting held on 23 September 2009 be signed as a correct record.</p>
17	<p><b>Performance Management Report</b></p> <p>The committee received the second performance management report for the current financial year, as at the end of August 2009 and illustrated the progress made so far against the key service developments, performance indicators in the 2009/10 Business Improvement Plan (BIP) and the 2009/10 budget.</p> <p>This period had been very challenging yet successful during which 3 separate Statements of Account were prepared for the two councils plus this committee. All these had received unqualified audit opinions and officers had also contributed extensively to the successful Use of Resources outcomes of both authorities.</p> <p>At the same time, 21 of the 25 key projects for this year had been completed or were on track and plans were in place to put the remaining 4 back on course. Similarly only 4 of the 43 performance measures were "red" status for which there were mitigating circumstances in each case. The partnership was also in line to deliver a balanced budget for the year (2009/10).</p>

It was noted that whilst page 6 of the report indicated an under spend in the sum of £40,000 relating to internal Audit, in reality this was unallocated as it had been set aside to fund works by Lancashire County Council's audit services.

There was an enquiry if the recent absence of Susan Guinness (Synergy – Head of Shared Financial Services) had impacted on the operations of the partnership. The committee was informed this was possible. Whilst quite good progress had been made and the councils' had successfully closed the accounts for 2008/09. However, other types of work such as the challenge to bring the two sets of processes together and production of the workforce development plan may have been affected by her absence. In respect of the workforce development plan this had now been drafted and would be presented to the next meeting of the committee.

In respect of the level of sickness absence there was an enquiry about this relating to the financial shared services. In response reference was made to the partnership's forthcoming workforce development plan which would include such issues. Also take up issues raised through the skills audit during the creation of the partnership which had identified partnership working and communication for attention. In respect of the level of sickness absence in the partnership, this was still very low and as mentioned at a previous meeting this could be seen as an indicator of moral. It was recognised this was still early stages and the partnership was conscious that two organisations had been brought together with separate and different cultures and work was ongoing.

There was a general discussion regarding the potential further development of the partnership in the future and the committee would receive an update at its next meeting in January.

The member of the public felt it was important the partnership communicated its arrangements to the electorate of both Chorley and South Ribble, ie that there were certain services the two councils were providing jointly. The Chairman commented in the case of South Ribble the partnership had been reported in the council's newspaper 'Forward' and he anticipated at some point being asked to report to meetings of the council. However, from the start the two councils had not wanted the partnership to be a separate body, and how this was marketed/branded had been the subject of some discussion. To date this had been deliberately low key whilst the partnership got underway, bedded in and operated correctly. It might be time to start thinking of promoting more what has been happening and achieved through the partnership.

The committee was informed that on 11 November there would be a partnership managers' away day. It was also reminded that on 7 July there had been a staff away day which had looked at such things as what services/activities the partnership should; continue, start, and/or stop doing and another was planned for January 2010. Communication was accepted as an issue particularly preventing staff in the partnership from feeling isolated which was known and was being addressed.

The member of the public commented that for example, the South Ribble electorate were unaware of this particular partnership with Chorley. She commented that when informed people were neither positive nor negative but surprised. Maybe the councils could promote more through ward councillors at surgeries, such as the increased efficiencies/effectiveness, reduced costs and improved service delivery etc. It was understood South Ribble intended to hold a member awareness session on the partnership. Although on balance the committee felt the public were not overly concerned who actually provided a council service(s) as long as these were managed/operated as effectively and efficiently as possible.

The committee noted that on page 3 the two councils reported risk differently, and was informed that whilst the reporting was different the process for collecting information was the same. In respect of the 'red' status of the establishing of an anti-fraud & corruption risk register at South Ribble whilst accepting the reasons given it was suggested the report be amended to give a better explanation for the delay.

There was an enquiry and general discussion relating to the outstanding debt indicator (which related solely to Chorley council) and this was mainly caused by the large number of Section 106 agreements yet to be settled. This was primarily felt to be as a result of the current economic

climate and completion of a number of sites were not being actively progressed by developers. However, it was not envisaged they would not want to relinquish these sites and this was more a matter of timing.

RESOLVED:

1. that the committee notes the progress made and looks forward to receiving a further update at the next meeting;
2. that the committee thanks those staff involved in finalising the accounts of this committee and the two constituent councils;
3. that a report on the partnership's arrangements be presented to the next meeting of the committee; and
4. that the report be amended to give a fuller explanation of the reason for the delay of an anti-fraud & corruption risk register at South Ribble.

**18 Assurance Strategy**

The report presented to the committee explained the content of the Assurance Strategy which set out the purpose, operating principles and strategic direction for the Internal Audit and Risk Management services provided to both South Ribble and Chorley Councils. The Partnership Service Level Agreement (SLA) required the production and updating of strategies for Internal Audit and Risk Management by October each year, and this was also a requirement of the CIPFA Code of Practice for Internal Audit. As result the attached single strategy combined these together and had been produced as a single sheet indicating the guiding principles and purpose.

The strategy's strategic objectives were unchanged whilst the 'enablers' such as key actions/projects and key performance indicators changed yearly and provided upward pressure to meet the high level deliverables.

It was suggested that the wording of next to last paragraph under Internal Audit's strategic objectives be amended with removal of reference to 'services in-house' and inclusion/emphasis on value for money/best value

RESOLVED:

1. that subject to a few typographical corrections, amendment of the Internal Audit's strategic objective, explanation of acronyms and the topic banners be highlighted in a lighter shade of blue, the Assurance Strategy be noted and approved for implementation by Shared Assurance Services in 2009/10 and beyond; and
2. that the Assurance Strategy be presented to the both councils' respective Audit and Governance Committees.

**19 Forward Plan**

The committee received a copy of the committee's Forward Plan and this be amended in light of discussion earlier in the meeting.

The committee was scheduled to receive a report on the draft budget 2010/11 at its meeting on 18 January 2010 at which it would make recommendations to both councils' respective executives (Cabinets). The committee was informed that if its recommendations were not accepted by either or both executives, it might be necessary to convene an extra meeting of the committee to re-consider and respond. This meeting might be in late January/early February 2010.

RESOLVED:

That the committee's Forward Plan as amended be noted and the possibility of an extra meeting in late January/early February 2010 be explored.