

LOCAL GOVERNMENT SHARED SERVICES JOINT COMMITTEE:

MINUTES

Date: Tuesday 26 May 2015

Time: 2.00-3.40pm

Place: Suite 2 Stanton House Training and Conference Centre, Huntingdon, PE29 6XL

Present: Cambridgeshire County Council (CCC): Councillors Paul Bullen, Ian Manning and Mac McGuire

Northamptonshire County Council (NCC): Councillors Bill Parker (Chairman), Graham Lawman, and Bob Scott

Others in attendance:

Quentin Baker (LGSS Director of Law, Property and Governance), Paul Blantern (Chief Executive, Northamptonshire County Council), Matt Bowmer (LGSS Director of Finance), Dawn Cave, (Democratic Services Officer, CCC), Ian Farrar (LGSS Director of IT Services), John Kane (LGSS Managing Director), Christine Reed (LGSS Director of People, Transformation and Transactions), Claire Townrow (LGSS Head of Service Assurance, Customers and Strategy)

Apologies: Mark Lloyd

58/15 MINUTES – 26 MARCH 2015

The minutes of the meeting held on 26th March 2015 were agreed as a correct record and signed by the Chairman.

It was noted that at that meeting there had been a request for more information on the Apprenticeship scheme. **ACTION: Christine Reed to circulate information.**

59/15 DECLARATIONS OF INTEREST

There were no declarations of interest.

60/15 FINAL OUTTURN FINANCE REPORT

The LGSS final outturn for 2014/15 was presented to the Joint Committee. Members noted an operational underspend of £651K for the year, in addition to the delivery of £2.3M Strategic Plan savings. The overall outturn on the Trading Account showed a

shortfall against the challenging target. However, Members were pleased to note that the budget had been delivered in increasingly tough times. Attention was drawn to bids for reinvestment.

A Member queried the “...loss of significant fee earning through other staffing circumstances” in the Law, Property and Governance Directorate. The Director of Law, Property & Governance explained that this related to the office move and implementation of ABS, and the impact of these factors on the ability of the Directorate to attract fee-earning work, against a challenging stretch target. It was highlighted that the Directorate had achieved a £1.3M surplus on a turnover of £7M. The issues around the Iken upgrade, whereby both Northamptonshire and Cambridgeshire based staff would be working on the same software, were noted.

It was resolved to:

1. Note, for the fourth successive year, the delivery of Strategic Plan savings – for 2014-15, £2.3m against a baseline of approximately £25m;
2. Note the outturn position for 2014-15;
3. Note the use of 2014-15 surplus and unallocated reserves as set out in Section 3 and agreed in principle at Joint Committee on 26 March;
4. Note the carry forward of unused earmarked balances from 2013-14 into 2015-16 as set out in Section 3 and agreed at Joint Committee on 26 March;
5. Note that under the current proposals a dividend will not be paid to the host authorities for 2014-15;
6. Note the preparation of the draft LGSS Annual Report 2014-15 to be presented to Joint Committee at its meeting on 25 June.

61/15 UPDATE FROM THE MANAGING DIRECTOR

The Managing Director provided an oral update to the Joint Committee that highlighted the key achievements in 2014/15 and the objectives moving forward. The realisation of all planned savings plus the ‘additional asks’ of £2.3M – around 10% of the total budget, should not be underestimated, and also the substantial sums being achieved for all customer budgets. The introduction of the very comprehensive Customer Service Framework enabled LGSS to identify not only areas of good performance, but also areas for improvement. The Workforce Strategy had been rolled out and was achieving tangible benefits that will deliver.

The original business plan had been predicated on a certain shape of growth, but as the climate had changed, income was actually being achieved in a different way, shape and form to how it was originally envisaged. The key to moving forward was the management team having the freedom, flexibility and support from Members, especially

as the ongoing economic climate meant that other authorities were more inclined to consider shared services, as sovereignty became less of an issue.

As LGSS expanded, it inherited different cultures, attitudes and processes from member authorities. The challenge was now to move away from the dual County Council model to a large scale organisation with multitude of inherited cultures. In terms of the Business Development Strategy the core values remained the same i.e. “by the public sector, for the public sector”. LGSS was now seen as an exemplar in shared services, with good brand recognition.

Members noted other key achievements, including:

- progress with the Apprenticeship scheme, and the large number of apprentices who had been taken on across services, many resulting in permanent placements;
- progress with the Foundation Partner Model;
- the Next Generation ERP service development, providing a market leading system at a lower cost, which was very attractive;
- the launch of LGSS Law Ltd as an ABS. In response to Member questions, Quentin advised that whilst some other authorities had set up ABSs, these had experienced difficulties, especially with accounting and employment contracts, and LGSS Law was the first to trade. The Director of Law, Property & Governance also outlined how the ABS was being promoted, and the feedback and interest from the sector.

Members noted that there was no shortage of interest in LGSS services: indeed, caution needed to be exercised in making contacts, as the process of exploring and taking on new customers was extremely resource intensive.

It was resolved to note the oral update provided by the Managing Director.

62/15 EXCLUSION OF PRESS AND PUBLIC

The Committee resolved that the Press and Public be excluded from the meeting for the Following 4 items of business on the grounds that it contained exempt information under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed (information relating to the financial or business affairs of any particular person (including the authority holding that information)).

Chairman