

## **LOCAL GOVERNMENT SHARED SERVICES JOINT COMMITTEE:**

### **MINUTES**

**Date:** Thursday 10<sup>th</sup> September 2015

**Time:** 2.00-3.10pm

**Place:** Lymage Lounge, Grafham Water Training and Conference Centre, Perry Huntingdon PE28 0GW

**Present:** Cambridgeshire County Council (CCC): Councillors Paul Clapp and Mac McGuire (Chairman)

Northamptonshire County Council (NCC): Councillors Andre Gonzalez de Savage, Bill Parker (Vice-Chairman) and Mick Scrimshaw.

**Others in attendance:**

Matt Bowmer (LGSS Director of Finance), Ian Farrar (LGSS Director of IT Services), Sue Grace (Director of Customer Service and Transformation, Cambridgeshire County Council), Iain Jenkins (LGSS Group Accountant – Closedown), John Kane (LGSS Managing Director), Daniel Snowdon (Democratic Services Officer), Claire Townrow (LGSS Head of Service Assurance, Customers and Strategy)

**Apologies:** Quentin Baker (LGSS Director of Law, Property and Governance), Paul Blantern (Chief Executive, Northamptonshire County Council), Mark Lloyd (Chief Executive, Cambridgeshire County Council), Christine Reed (LGSS Director of People, Transformation and Transactions).

#### **85/15 MINUTES – 21<sup>st</sup> AUGUST 2015**

The minutes of the meeting held on 21<sup>st</sup> August 2015 were agreed as a correct record and signed by the Chairman.

#### **86/15 DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **87/15 LGSS ANNUAL REPORT (STATEMENTS OF ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT) 2014/15**

The Joint Committee received the draft statement of accounts. This was the second year of the accounts and since June an audit had been taking place. There had been minimal changes to the accounts since the original draft was last presented to the Joint

Committee. The changes that had been made were regarding presentation, the addition of extra narrative and some small errors had been amended.

The ISA 260 report was presented to Members by the external auditors KPMG. They informed Members that an objection to the accounts had been received from a member of the public. Officers had met with the individual and following that meeting a letter had been sent to the auditors, KPMG registering the objection. This meant that the accounts could not be formally signed off until the objection process had been followed.

During discussion of the report Members:

- Questioned what the nature of the objection was. Officers explained that the objector had been in regular correspondence with LGSS over the past 4 years and that the majority of the answers had already been supplied. The objection was one of the most complex the auditors had ever received and with the permission of the objector had been shared with officers in order that the response could be compiled. The objection covered the scope of the accounts, treatment of numbers and questioned how they were presented when LGSS was not a legal entity.
- Expressed frustration over the length of time the individual had been engaging with officers and questioned what steps had been taken to mitigate the issues. Officers informed Members that the individual had met with senior officers in the past but unfortunately it had not proven successful. Clarity was provided regarding the statutory process surrounding the objection; it had been agreed by KPMG that the objection was valid and there was now 9 months in which to formulate responses, although it was hoped it would be done well within the time frame.
- Questioned the motivation for the objection as it appeared to be vexatious. Officers confirmed that the objection was the culmination of numerous Freedom of Information requests made over a number of years. Members were informed that the objector had applied for a contract with LGSS but had been turned down and it was indicated that was the reason for the ongoing issues.
- Raised concern over the cost of the objection to the public purse. It was agreed to share the overall cost once the accounts had been signed off.

It was resolved:

To delegate the authority to the Director of Finance and the Chair of the Joint Committee to approve the LGSS Annual Report (Statement of Accounts and Annual Governance Statement) 2014-15, subject to the audit being completed with no material changes required.

## **88/15 LGSS 2015-16 BUDGET MONITORING**

The Joint Committee received the monthly budget monitoring report. Officers highlighted the deficit on the trading account and the actions being taken to mitigate it. Being early in the financial year there were not many variations to report but Members

attention was drawn to the risk posed by a number restructures taking place and the strain that the redundancy costs would pose.

During discussion Members:

- Questioned the use of reserves that could be used to mitigate financial pressures. Officers explained that vacancies within the organisation had been managed effectively and expressed confidence that the budget would be delivered at year end.
- Questioned why £107k was not enough to manage the redundancies due to be made. It was explained that due to the additional savings LGSS had been asked to make £107k may not be enough.
- Noted that the summary position on carry forward had been retained on the report for visibility.

It was resolved to:

1. Note the financial monitoring position as at 31 July 2015.
2. Note the summary position on carry forward balances.

## **89/15 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)).

## **90/15 REVENUES AND BENEFITS ONBOARDING**

It was resolved to:

It was resolved to note and agree the recommendations as set out in the report.

Chairman