

**BROMSGROVE DISTRICT COUNCIL**

**WORCESTERSHIRE REGULATORY SERVICES**

**MEETING OF THE WORCESTERSHIRE SHARED SERVICES JOINT COMMITTEE**

**THURSDAY, 27TH SEPTEMBER 2012 AT 5.30 P.M.**

PRESENT: Councillors M. Hart (Chairman), D. Thain (Vice-Chairman, during Minute No's 18/12 to 24/12), M. A. Bullivant, C. B. Taylor, Mrs. B. Behan, D. Hughes, Mrs. P. Witherspoon, R. Hill, Mrs. L. Hodgson, A. N. Blagg, Mrs. E. Stokes and P. Harrison

Observers: Mr. V. Allison, Deputy Managing Director, Wychavon District Council

Officers: Mr. S. Jordan, Mrs. S. Sellers, Mr. M. Kay and Mrs. P. Ross

15/12 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors M. Braley, Redditch Borough Council, P. Mould, Redditch Borough Council, J. Riaz, Worcester City Council and K. Jennings, Wychavon District Council.

16/12 **DECLARATIONS OF INTEREST**

No declarations of interest were received.

17/12 **MINUTES**

The minutes of the meetings of the Worcestershire Shared Services Joint Committee held on 28th June 2012 and 11th July 2012 were submitted.

**RESOLVED** that the minutes be approved as a correct record.

18/12 **WORCESTERSHIRE REGULATORY SERVICES GROWTH POTENTIAL**

The Committee considered a preliminary report which detailed opportunities to explore potential growth for Worcestershire Regulatory Services.

The Head of Worcestershire Regulatory Services (WRS) introduced the report and in doing so informed the Committee that WRS were well aware of the implications of the next Government settlement (2014/2015 onwards) and the significant impact this was likely to have on local authority finance. Members were informed that an options report on the likely impact of further cuts to the budget (5%, 10%, and 15%) in 2014/2015 would be presented to the next meeting of the Joint Committee.

The creation of WRS had helped the seven participating authorities to reduce costs whilst maintaining resilience. In light of the uncertainty of the financial settlement that would be available to Local Government from 2013/2014, WRS had developed two strategies, as detailed in the report.

There was an opportunity to grow the business in such a way that growth would deliver benefits for the original partners. WRS had had discussions with five Local Authorities, as detailed in the report, to gauge interest in either joining the partnership or outsourcing their services to WRS. WRS were also looking at the feasibility of working with a wider range of partners to establish a regional Animal Health team and metrology. The Head of WRS highlighted that WRS were currently looking at the feasibility of these opportunities and that these discussions were still at an early stage. A report detailing potential business models would be presented to the Joint Committee early in 2013. It was clear that there were real opportunities for WRS to grow the business in a way that would generate an income for partners and help offset the WRS budget.

The Head of WRS advised Members that in order to maximise these opportunities it had become clear during the preliminary discussions that a review of the current governance arrangements would need to be undertaken to support a different business model.

The Head of WRS responded to Members' questions with regard to:

- Founder Members being treated as preference shareholders
- Business Model options
- Financial analysis of opportunities
- Profit sharing amongst the core partners
- Would WRS consider opportunities to enter into the private sector?

Councillor Mrs. B. Behan, Malvern Hills District Council expressed reservations in respect of the governance arrangements and how would this impact on Bromsgrove District Council as the host authority. The service had already been pared back to make savings and the service was currently operating on a slim field of operators, had staff been trained or would staff be trained if additional services were undertaken for other authorities. She was not opposed to it, but was worried. She also expressed further concern in respect of the public and their line of entry via the Worcestershire Hub. Would further operators be required if additional services were undertaken for other local authorities? She was slightly hesitant to go down this route, she sensed the need, but wondered how the current WRS structure would grow. She would not like to see a north/south/east/ west split of any sort.

The Head of WRS responded and highlighted that he understood the concerns expressed and that there would be no commitment until any opportunities had gone through the correct governance arrangements.

**RESOLVED** that Worcestershire Regulatory Services continued to explore opportunities to grow the business by taking on other partners or being contracted to deliver similar services for others, be approved.

19/12 **ICT PROJECT - VERBAL UPDATE FROM STEVE JORDEN**

The Head of Worcestershire Regulatory Services (WRS) provided the Committee with a verbal update on the ICT Project. Members were informed that the IT contract with IDOX had been signed. The Head of WRS considered the contract to be advantageous to WRS and that it would work well for IDOX. The next phase would be to fill in the detail on the IT Project Plan and align resources. Staff from WRS would work on the IT Project so that WRS staff had ownership of the IT system, this would involve 'backfilling' where needed, a budget had been allocated for 'backfilling'. The detailed IT Project Plan would be presented by the ICT Project Manager to a future meeting of the Joint Committee. Members were further informed that penalty clauses had been built into the contract with IDOX to ensure delivery of the system as specified and that deadlines were met.

Following further discussion the Head of WRS responded to Members' questions with regard to:

- The host authority for the ICT system
- The type of ICT system supplied, whether bespoke or an off the shelf system.
- Ownership of the Licence. Could IDOX sell the system as a marketable product?

20/12 **WORCESTERSHIRE REGULATORY SERVICES JOINT COMMITTEE BUDGET MONITORING APRIL - JULY 2012**

The Committee was asked to consider a report which detailed the financial position for the period April to July 2012.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so apologised to the Committee and ask Members to note that the figure of £6.008m shown on page 11 of the report should read £5.626m. Member's attention was drawn to Appendix 1 to the report and the Training and Seminars figure of £35,000. The Executive Director, Finance and Corporate Resources reminded the Joint Committee that Members had agreed at the Joint Committee meeting on 28th June 2012 to set aside £35,000 to fund a leadership development programme for senior for managers.

**RESOLVED** that the financial position for the period April to July 2012, be noted

21/12 **WORCESTERSHIRE REGULATORY SERVICES ANNUAL RETURN 2011 / 2012**

The Committee was asked to consider a report which detailed the amended Worcestershire Regulatory Services (WRS) Annual Return 2011/2012, which included the Accounting Statements for the Joint Committee for the period 1st April 2011 to 31st March 2012.

With the agreement of the Chairman the External auditor's certificate and opinion for the year ended 31st March 2012 was distributed to all Members present.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council introduced the report and in doing so drew Member's attention to the reasons for the amended report. The initial WRS Annual Return 2011/2012 approved by Members at the Joint Committee meeting on 28th June 2012, included the pension adjustments. Following further clarification and the advice given in relation to the presentation of the reserves relating to pension adjustments, the amended WRS Annual Return 2011/2012 excluded the pension adjustments as now advised by the new External Auditors, Clement Keys.

The Executive Director, Finance and Corporate Resources, Bromsgrove District Council informed Members that she had sought assurance from Clement Keys in respect of governance arrangements. More specifically if any concerns were raised at a later date, that the Joint Committee approved and the Chairman signed the initial Accounting Statements on 28th June 2012 and that the amended Accounting Statements were approved by the Joint Committee and signed by the Chairman on 27th September 2012. Clement Keys had acknowledged the concerns expressed by the Executive Director, Finance and Corporate Resources, Bromsgrove District Council and had agreed to confirm in writing that it was their error and therefore no concerns would be raised at a later date.

**RESOLVED** that the amended Worcestershire Regulatory Services Annual Return 2011/2012, to include the Accounting Statements for the Joint Committee for the period 1st April 2011 to 31st March 2012, be approved.

22/12 **EXCLUSION OF THE PUBLIC**

The Committee considered whether or not to exclude the public from the meeting for the consideration of Agenda Item No. 9; Worcestershire Regulatory Services Joint Committee, Confidential Minutes, 11th July 2012. The Chairman advised that the Committee had considered whether the public interest in maintaining the exemption outweighed the public interest in disclosing the information, which the Committee agreed it did not.

**RESOLVED** that the public not be excluded from the meeting during the consideration of Agenda Item No. 9; Worcestershire Regulatory Services Joint Committee, Confidential Minutes, 11th July 2012, and that the minutes be placed in the public domain.

23/12 **MINUTES**

The minutes of the meeting of the Worcestershire Shared Services Joint Committee held on 11th July 2012 were submitted.

**RESOLVED** that the minutes be approved as a correct record.

24/12 **COMMUNICATIONS**

(The Chairman agreed that this matter be raised as an urgent item).

Councillor Mrs. E. Stokes, Wychavon District Council informed the Committee of the issues raised by Members at Wychavon District Council's Overview and Scrutiny Committee on 18th September 2012, as detailed in the minutes:

*"A significant number of Members raised issues with making contact when using the Worcestershire Hub, explaining that at times it was impossible to make contact until they used a private direct dial number into the service. Steve Jorden thanked members for this feedback noting them and confirmed he would investigate what was causing the issues."*

Wychavon District Council, Overview and Scrutiny Committee had requested that Councillor Mrs. E. Stokes raise these issues at the next meeting of the Worcestershire Shared Services Joint Committee. The Head of Worcestershire Regulatory Services confirmed that he had attended Wychavon District Council's, Overview and Scrutiny Committee meeting on 18th September 2012 and had, as requested by Members, investigated the issues raised; which had included looking at the duty log, but he could find no information in relation to the issues raised. He further informed the Committee that should Members of the participating authorities experience further communication issues, it would be helpful if they could log the date, time and brief details of the issues encountered. Members could also raise any concerns in respect of communications directly with him or Mark Kay, Business Manager, Worcestershire Regulatory Services.

The meeting closed at 6.20 p.m.

Chairman