

# **CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Corporate Scrutiny Committee**  
held on Tuesday, 12th October, 2010 at Committee Suite 1,2 & 3, Westfields,  
Middlewich Road, Sandbach CW11 1HZ

## **PRESENT**

Councillor A Thwaite (Chairman)  
Councillor J Narraway (Vice-Chairman)

Councillors G Barton, G Baxendale, D Brickhill, S Conquest, J Crockatt,  
H Davenport, M Davies, J P Findlow, D Topping and S Wilkinson

## **Apologies**

Councillors A Arnold and P Edwards

## **58 MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on the 15 September 2010 were approved as an accurate record of the meeting and signed by the Chairman.

## **59 DECLARATIONS OF INTEREST**

There were no declarations of interest noted.

## **60 PUBLIC SPEAKING TIME/OPEN SESSION**

There were no members of the public who wished to make a statement.

## **61 BUDGET CONSULTATION GROUP**

A report was received to update the Committee on the work of the Budget Consultation Group.

In view of the very tight timescales, it was suggested to the Committee that they advise Cabinet in November 2010 of the preliminary views of the Corporate Scrutiny Committee on the budget challenge process, based upon the following principles as approved by the consultation group:

1. That, Budgets should be disaggregated to fit in with the Council's Overview and Scrutiny arrangements to allow each Committee an opportunity to have a meaningful input into the budget setting process.
2. That Cabinet be requested to allow each of the 5 Overview and Scrutiny Committees to have an opportunity to have an input in setting budget priorities for the 2011/2012 budget.
3. That a cycle of dedicated O&S meetings be held in early January to formally comment on the draft budget.

RESOLVED –

- a) That the report be received and noted.
- b) That a report be submitted to Cabinet in November, outlining the Committee's suggestion in relation to the budget scrutiny process 2011/2012 as follows:
  - 1. That, Budgets should be disaggregated to fit in with the Council's Overview and Scrutiny arrangements to allow each Committee an opportunity to have a meaningful input into the budget setting process.
  - 2. That Cabinet be requested to allow each of the 5 Overview and Scrutiny Committees to have an opportunity to have an input in setting budget priorities for the 2011/2012 budget.
  - 3. That a cycle of dedicated O&S meetings be held in early January to formally comment on the draft budget.

## 62 PROCUREMENT

A presentation was received from David Wharton, Procurement Manager, regarding procurement procedures and in particular the competitive dialogue Procedure. It was explained that current regulations provided four main procedures: Open, restricted, negotiated and competitive dialogue. With regards to competitive dialogue, it was reported that it would only be used for particularly complex contracts where the authority was not able to objectively define the technical means capable of satisfying their objectives and/or not objectively able to specify the legal and/or financial make up of the contract.

The benefits of competitive dialogue were outlined. Firstly, that it allowed flexibility in the process to discuss all elements of the solution. Secondly, that it explicitly acknowledged that the dialogue could take place in stages at which some bidders may be eliminated. Finally, in the dialogue phrase, competitive dialogue ensured that there was still a competitive element in the process, helping to promote value for money.

It was stated that it would be useful if a 'real life' example of competitive dialogue could be provided. A suggestion was made that the Head of Regeneration could attend the Committee to talk specifically about competitive dialogue and its relationship with highway procurement.

RESOLVED -

- a) That the presentation be received and noted
- b) That the Head of Regeneration be invited to be future meeting of the Committee to discuss the competitive dialogue process in relation to highways.

## 63 SHARED SERVICES

Jackie Gray, Shared Services Manager, attended the meeting to provide an overview of Cheshire Shared Services. Within this, she covered the journey of Shared Services including the current situation, governance structures, achievements and finally, possible future steps.

It was reported that there were 32 shared services with a total budget of £66,763,487 with 1,480 FTE staff. It was explained that these had been split into three types. Firstly, some services were considered in the 'transitional' stage which simply meant that they were shared as an interim arrangement until it had been decided where exactly services would eventually sit. Secondly, some services were currently being reviewed to find out the best way forward and these were considered as 'potentially shared' services. Finally, some services were considered 'long term shared'. It was explained that these were considered to be operationally and financially beneficial to the Council.

Attention was drawn to a number of underpinning documents which support Cheshire Shared Services. Of particular attention was the 'Secondment Agreement' as it was explained that this had caused a number of HR issues. The point was made by a number of Members that if staff were to be moved around due to changes in Shared Services, then endeavours would have to be made to make sure that they were supported adequately during a potentially difficult time.

Jackie continued to explain the current governance arrangements of Cheshire Shared Services. It was reported that the Committee consisted of three Cabinet members from both Cheshire East and Cheshire West and Chester authorities. It was queried how Members, not involved in the Joint Committee, would gain access to information regarding the actions of the Committee. It was felt that there was insufficient information being cascaded from the Joint Committee to Members and this was something that needed to be improved. As an example of this lack of information, it was mentioned that Members had not been made aware of the closing of the International Unit and the possible consequences of this.

A number of suggestions were made that would attempt to reduce the distance between Members and the services which lay in Shared Services. Firstly, it was proposed that it would be useful if the minutes of the Joint Committee, currently published on the Cheshire West and Chester website, could be circulated to the Corporate Scrutiny Committee. Secondly, it was suggested that information on shared services, including a list of scheduled meetings, would be placed on Members Bulletins. Finally, the Committee suggested that a Member of the Joint Committee would come to a Corporate Scrutiny meeting to report on shared services.

In describing the 'next steps' for Cheshire Shared Services, it was reported that there was an idea being explored around setting up a separate legal entity or 'arms length body'. These would possibly be set up around HR, ICT and Occupational Health services and further opportunities may be available to provide back office for GP consortiums.

RESOLVED –

- a) That the presentation be received and noted

- b) That the Procurement, Assets and Shared Services Portfolio Holder be invited to a future meeting to discuss the following items:
- Assuring that when staff are moved due to changes in Shared Services, that they are adequately supported by HR
  - Circulating the minutes of the Joint Committee to the Corporate Scrutiny Committee
  - Information on Shared Services, including lists of scheduled meetings, to be included in Members bulletins
  - The background to the setting up a separate legal entity in respect of HR, ICT and other services.

#### **64 NEW EXECUTIVE ARRANGEMENTS**

The Committee considered a report of the Borough Solicitor to inform the Committee of The Local Government and Public Involvement in Health Act 2007 which requires all local authorities to agree and implement a new leadership model.

RESOLVED – That the report be received and noted.

#### **65 WORK PROGRAMME PROGRESS REPORT**

The Committee considered a report of the Borough Solicitor setting out the 2010/2011 work programme.

With regards to the Cheshire East Culture item, it was agreed that this would be taken off the work programme.

A discussion was had over the Local Highways and Transport/liaison Committees. The Chairman undertook to discuss this matter further with the Environment Portfolio Holder with a view to reporting back to a future meeting.

In relation to the Libraries Progress Report, it was suggested that a site visit to a selection of the Borough's libraries would provide useful background information for the Committee when considering any possible report.

It was stated with regards to the Communications Service item, that time was needed for Members to find out more about the service prior to receiving a report. As a result, it was agreed that the item be delayed until further notice.

RESOLVED –

- a) That the report be received
- b) That the amendments to the work programme be noted.

**66 FORWARD PLAN - EXTRACTS**

The Committee considered items currently listed in the forward plan

RESOLVED – That the forward plan be noted.

**67 CONSULTATIONS FROM CABINET**

There were no consultations from Cabinet

The meeting commenced at 2.00 pm and concluded at 4.20 pm

Councillor A Thwaite (Chairman)