

Minutes of a meeting of the **Shared Services Joint Committee**
held on Friday, 29th November, 2013 at Committee Room 10 - Wyvern House,
The Drummer, Winsford, CW7 1AH

PRESENT

Councillor D Brown (Chairman)
Councillor L Ford (Vice-Chairman)

Councillors B Moran, P Raynes, L Jones and L Riley

Officers

Cheshire East Council

Peter Bates, Chief Operating Officer
Chris Mann, Corporate Resources Manager
Jackie Gray, Shared Services Manager and Temporary Procurement Unit
Manager
Suzanne Antrobus, Senior Lawyer
Rachel Graves, Democratic Services

Cheshire West and Chester Council

Julie Gill, Director of Resources
Mark Wynn, Head of Finance
Roz Lewis, Senior HR Manager
Sharon Barclay, Project Manager, Change Management Service

Dominic Whelan, Managing Director CoSocius

23 APOLOGIES FOR ABSENCE

There were no apologies for absence.

24 DECLARATIONS OF INTEREST

No Declarations of Interest were made.

25 PUBLIC SPEAKING TIME/OPEN SESSION

No members of the public were in attendance and no questions had been submitted prior to the meeting.

26 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 13 September 2013 be approved as a correct record and signed by the Chairman.

27 SHARED SERVICES UPDATE AT MID YEAR REVIEW

Consideration was given to a report which provided a summary of the financial position at Mid Year for the remaining Shared Services.

Details of the overall performance for each Shared Services were shown in Appendix 1 to the Report. It was noted that five of the services were rated Green (performing well) and the remaining three were rated Amber (mixed performance).

The mid year financial performance showed that for Cheshire East shared services there was a total projected underspend of £67k, which related to a reduction in the ICT overspend from £0.298m to £69k. The overspend in HR and Finance had also reduced from £31k to £14k. Archives and Libraries were forecasting an over spend which would be offset by the forecast underspends in Farms and Occupational Health.

For Cheshire West and Chester the overall shared services projected outturn at mid year was a £0.151m underspend. The forecast overspend in ICT shared services had reduced (£91k from £0.129m), as had overspends in HR and Finance. The Library Shared Services overspend had increased from £13k to £23k due to redundancy settlements. These overspends were reduced by the forecast underspends within Farms and Occupational Health.

RESOLVED:

That the overall Mid Year performance position relating to the Shared Services arrangements be noted.

28 GOVERNANCE ARRANGEMENT - COSOCIUS LIMITED

Consideration was given to a report which detailed the proposed arrangements for the governance of CoSocius Limited, its relationship with the Councils and the relationship between Cheshire East Council and Cheshire West and Chester Council.

To enable the Councils to progress the establishment of CoSocius Limited approval was sought for the Draft Articles of Association, the Reserved Decisions list, the draft terms of reference for the Shareholder Board and the Heads of Terms for the key legal documentation to be entered into with the Company.

The Committee thanked the officers for their work in producing these documents.

RESOLVED: That

- (1) the Draft Articles of Association for CoSocius Limited, as set out in Appendix 1, be approved.

- (2) the Decisions reserved to the Councils as shareholders, as set out in Appendix 2, be approved.
- (3) the proposals for the establishment of, and composition and terms of reference for the Shareholder Board, as set out in paragraph 10.6 of the report and Appendix 3, be approved.
- (4) the Heads of Terms for the Shareholder Agreement, contract for services, working capital and support services, as set out in Appendix 4, be approved.
- (5) The Section 151 Officers at each Council be authorised to make minor changes in consultation with their respective monitoring officers.

29 COMPANY BOARD OF DIRECTORS STRUCTURE - COSOCIUS LIMITED

Consideration was given to a report which sought agreement on the structure for the Board of Directors for CoSocius Limited and the high level design for the Company operation model.

Agreement for the Board Structure was necessary to commence the recruitment process for the three Non-Executive positions (including Chairman) and the new post of Commercial & Corporate Development officer. It was hoped that the Board would start operating during the latter part of the shadow mode in order to deliver effectively after 1 April 2014.

Whilst some organisations were able to recruit non-executive directors at nil cost it, was agreed that a remuneration package would be offered as it would encourage a range of applicants to apply and held with board member retention. A budget for non-executive director costs had been included in the original Business Case.

RESOLVED: That

- (1) the CoSocius Limited Board structure, as outlined in section 11 of the report, and the high level organisational design for the Company, as outlined in section 12 of the report, be approved.
- (2) approval be given for the recruitment of the Chairman, Non-Executive Directors and the Commercial & Corporate Development Officer.
- (3) approval be given for a remuneration package for Non-Executive Directors.

30 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 3 and 4 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information

Para 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Para 4 – Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority.

31 COSOCIUS: CONTRACT AND OPERATING PRINCIPLES

Consideration was given to the joint report of the Chief Operating Officer, Cheshire East and the Director of Resources, Cheshire West and Chester, which set out the key principles for the establishment of CoSocius Limited.

RESOLVED:

That the key principles for the establishment of CoSocius be endorsed by the Committee and that Members' observations on specific detail be noted and addressed in the production of the final Contract for Services and/or Shareholder Agreement.

The meeting commenced at 1.35 pm and concluded at 3.25 pm

Councillor D Brown (Chairman)