

Minutes of a meeting of the **Shared Services Joint Committee**
held on Friday, 18th March, 2016 at Committee Room 1 - Wyvern House,
The Drummer, Winsford, CW7 1AH

PRESENT

Councillors JP Findlow, P Bates (Substitute), S Gardner (Substitute), B Clarke (Substitute), P Dolan (Substitute) and L Gittins

Officers

Cheshire East Council

Alex Thompson, Corporate Manager, Strategy and Reporting
Jackie Gray, Corporate Manager, Business Intelligence and Data
Jayne McLaughlin, Corporate Project Manager
Paul Fox, Solicitor
Rachel Graves, Democratic Services Officer

Cheshire West and Chester

Mark Wynn, Head of Finance
Sam Brousas, Head of Professional Services
Aaron Thomas, Programme Manager

30 APPOINTMENT OF CHAIRMAN FOR THE MEETING

RESOLVED:

That Councillor L Gittins be appointed as Chairman for the meeting.

(Councillor Gittins in the Chair)

31 APOLOGIES FOR ABSENCE

Apologies were received from Councillors D Armstrong, D Brown, P Donovan and P Groves.

32 DECLARATIONS OF INTEREST

No declarations were made.

33 PUBLIC SPEAKING TIME/OPEN SESSION

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

34 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 22 January 2016 be approved.

35 TRANSFER OF COSOCIUS LTD

The Committee considered a report on the formal arrangements to bring CoSocius Ltd back into shared services arrangements.

In October 2015 the Committee had approved that CoSocius Ltd should cease as a standalone and commercially focussed company and that ICT and HR and Finance shared services revert back to being delivered as an in-house shared service.

A Joint Programme Board had been established in November 2015 to ensure the safe disaggregation of the company and establishment of new host arrangements. The report detailed the work undertaken by the Programme Board to meet the key milestones for 1 April 2016 when CoSocius would cease trading.

CoSocius had reported a loss of £0.8m in 2014-15 and further pressures were being reported for the current year, with the latest estimates indicating that the Company would spend approximately £2m more than it generated in income during 2015-16. The underlying costs of the services being transferred back to the two Councils were significantly higher than the available funding for 2016-17. Remedial action had already been taken to remove costs. Details of the cost reduction activity to be undertaken were detailed in section 6.2 of the report.

The Committee acknowledged the need to learn from this experience and requested clarification on the governance of the new arrangements. They also asked to receive regular updates on the progress of the transfer process back into the in-house shared services.

RESOLVED: That the Shared Services Joint Committee approve

- 1 the winding up of CoSocius Ltd and transfer of ICT and HR and Finance shared services back into two in-house shared services;
- 2 authorisation for the Director of Legal Services for each authority, in consultation with the Section 151 Officers for each authority, to finalise the detailed terms and conditions for, and enter into, all necessary legal documentation and processes required to give effect to recommendation 1 including but not limited to the:
 - Administrative Agreement
 - Financial Memorandum
 - Shared Services Agreement – ICT
 - Shared Services Agreement – HR & Finance Transactional Services
 - Asset Transfer Agreement – ICT
 - Asset Transfer Agreement – HR & Finance Transactional Services
 - All necessary legal steps to wind up the company

- 2 the cost reduction activity outlined in section 6.2 of the report.
- 3 the Programme Board prepare a formal 'closure' of the transfer project and establish two 'Transition' Programmes, one for ICT and one for Transactional Service to commence cut-over activity and delivery of key activities identified for a 6 month transition period.

36 COSOCIUS SERVICE REVIEWS

The Committee considered a report on progress being made in the delivery of the CoSocius Service Review programme.

The report provided an update on the key themes and issues arising from the work to date, and an indication of the direction of travel for each area of review.

The formal transfer of CoSocius activity into the two in-house shared services had provided an opportunity to consider the objectives of the service review programme and would be reviewed alongside the redesign of target operating model for delivery of the ICT services. An update would be brought to the next Committee on the proposed timescale for the remaining reviews.

RESOLVED:

That the progress to date with the series of service reviews underway, and the opportunities for collaboration and sharing across both Councils identified so far be noted.

The meeting commenced at 2.00 pm and concluded at 2.40 pm

Councillor L Gittins