

The decisions set out in these minutes will come into force, and may then be implemented at 10.00am on the fourth working day after the publication of the decision, unless the decision is subject to call-in.

Date of publication: Friday 5 December 2008

CANTERBURY CITY COUNCIL

EAST KENT (JOINT ARRANGEMENTS) COMMITTEE

**Minutes of a meeting held on Wednesday, 3rd December, 2008
at 10.00 am in The Guildhall, Westgate, Canterbury**

Present: Councillor R Bliss (Chairman)
Councillor S Ezekiel
Councillor A King
Councillor Mrs J Law
Councillor D Monk
Councillor F Scales
Councillor P Watkins

Councillor P Woods (Co-optee for item 8 only)

Officers: Nadeem Aziz - Assistant Head of Democratic Services CCC
Matthew Archer - Chief Executive DDC
Colin Carmichael - Chief Executive CCC
Mark Ellender - Head of Legal and Democratic Services CCC
Wendy Head - Corporate Director SDC
Nick Hughes - Democratic Services Officer CCC
Tracey Kerly - Head of Housing ABC
Jim McDonald - Director of Corporate Services
Richard Samuel - Chief Executive TDC
Alistair Stewart - Chief Executive SDC

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Paul Carter, Councillor John Gilbey and Councillor Roger Latchford.

2 DECLARATIONS OF INTEREST

There were no declarations of interest made.

3 SUBSTITUTE MEMBERS

There were no substitute Members.

4 MINUTES

The Minutes of the meeting of the 25 June 2008 were agreed as a true record.

5 MATTERS ARISING

There were no matters arising.

6 MATTERS REFERRED FROM THE EAST KENT (JOINT SCRUTINY) COMMITTEE

There were no matters referred to the East Kent (Joint Arrangements) Committee from the East Kent (Joint Scrutiny) Committee.

7 ALLOCATION OF £50,000 FUNDING TO EAST KENT CLUSTER BY KENT & MEDWAY IMPROVEMENT PARTNERSHIP

The Chief Executive of Canterbury City Council briefly outlined the report. He explained that £50,000 had been allocated from the Kent and Medway Improvement Partnership to the East Kent Cluster in order to help fund a number of the ongoing projects. The report provided for the management of future funds.

RESOLVED – The East Kent (Joint Arrangements) Committee resolve to recommend that:

- a) any four of the Chief Executive's of the parties or their nominated representatives acting together have delegated authority to allocate funding to relevant projects within the agreed shared services programme, with EKJAC acting as the monitoring body
- b) to agree that the principle of a holding fund be recommended to the parties, subject to funding being made available in future years, to enable EKJAC to agree the funding of projects without the need for a referral back to the constituent authorities
- c) that any funds allocated by the Chief Executives as above or voted by the parties or otherwise in respect of specific projects be allocated to the project champion as designated officer, such funds to be managed and expended in furtherance of the project
- d) the designated officer may appoint or retain external agents or contracts or any officer of any of the parties for any purpose

8 JOINT HOUSING LANDLORD SERVICES

At the commencement of this item point one of the resolutions was agreed prior to discussion on this item to allow the Ashford Borough Council representative to participate in the debate.

The Chief Executive of Thanet District Council outlined the report on Joint Housing Landlord Services. He explained that it was the aim to establish a shared service vehicle for Housing by April 2010.

The initial reports on the proposals had been to the Executives of each of the five participants and each had agreed to move to the next stage.

The reasons for recommending the shared service vehicle approach included Service Improvements, Efficiencies and Cost Reductions, Resilience and Improving capacity.

The shared service vehicle involved the transfer of approximately 270 FTE posts and would be responsible for the management of 21,000 houses across the five authorities. Each Council would retain ownership of its housing stock and housing strategy. All proposals were subject to tenant consultation and Secretary of State approval.

He explained that that he would be leading the project board and there would be a Project Manager a Project Director, the five Heads of Housing and a tenant representative.

The Shared Service Vehicle would be a not for profit organisation and could potentially seek charitable status. The broad composition of the Board of the Shared Service Vehicle would consist of five Councillors, five Tenants and five Independent Members. There would also be an area structure underneath the board to provide local delivery of services and enhance local involvement. .

The shared service vehicle would be responsible for direct housing management and maintenance functions for the five Councils. Support services such as HR, ICT and Legal would be purchased under terms to be agreed.

A new report would be brought before the East Kent (Joint Arrangements) Committee at its meeting in March.

In response to questions from a Member the Chief Executive of Thanet District Council confirmed that there would be a Chairman of the Shared Service vehicle in addition to the 15 Members of the board. It was also hoped that the five Independent Members of the Board would bring a variety of different complementary skills from professional backgrounds.

The Council's would retain the management of housing strategy, waiting lists and homelessness issues; a debate was needed in the future to decide if these services should be combined or transferred.

The tenants in the five districts had met with the individual districts and there had been little complaint about the proposals. More detailed consultation would form part of the process.

In response to a question from a Member the Executive of Thanet District Council there was a lot of detailed work to be completed before a final business case could be presented. At this point in time Members were only being asked to agree the principles.

The Chief Executive of Thanet District Council explained to the Committee in response to a question confirmed that the report was only a series of proposals up until the point when the five councils had officially committed. All the councils had been happy with the proposals so far. It would be possible to continue with less than five Councils, however it would be better if all five took part.

A Member from Kent County Council confirmed that KCC would be willing to help the project in any way it could, in particular in finding ways to stimulate the local economy through structural investment.

A Member from Ashford Borough Council confirmed that they were happy with the proposals and hoped the savings could be even greater than outlined in the report. The Chief Executive of Thanet District Council acknowledged Ashford's position. He confirmed that the two Executive Members to be co-opted onto the Committee were Councillors Paul Clokie and Peter Woods.

The Chief Executive of Thanet District Council confirmed in response to a question from a Member that permission would be sought from the Secretary of State in autumn of 2009. He estimated that it would take approximately six months to migrate the staff to the shared service vehicle but some key decisions may have to be taken in advance of the formal approval in relation to governance issues in order to meet the deadline.

RESOLVED – That:

1. That two executive members of Ashford Borough Council (Councillor Paul Clokie and Councillor Peter Woods) be co-opted onto this Committee as non-voting members to participate in debates on this project, both at this meeting and the meeting of 11 March 2009.
2. That progress on the project to date is noted and that EKJAC become the project sponsor. That there be a report to the meeting of 11th March 2009, on the shape and nature of the Shared Service Vehicle.
3. That the Committee recommend to each district council member of EKJAC:
 - a) that the funds they have made available for this project be delegated to EKJAC as and when they are required by the project lead.
 - b) that the delegation of management and expenditure of the above project budget be delegated to the Chief Executive of Thanet District Council as project lead.
4. That the Committee recommend to Ashford Borough Council that it creates its own bilateral arrangement with Thanet District Council to achieve a similar delegation to its Chief Executive district councils concerned in this proposed project has voted to support it in principle.

9 SHARED HR/PAYROLL BUSINESS CASE

The Corporate Director of Shepway District Council outlined the report on the shared HR/payroll business case. She confirmed to the Committee that there would potentially be significant savings in the region of £500,000 arising from a joint arrangement. In addition it was noted that there would also be non-financial benefits, which included increased resilience, procurement budget and skills base to draw from.

She said the proposal to release money to purchase a joint payroll system would not be finalised until each Executive or Cabinet had agreed the proposal. She confirmed that the project could still be viable with fewer than four partners. The Leaders of the parties were advised that the decisions that were anticipated to be taken in March/April 2009 should be included in their Forward Plans.

RESOLVED – That the East Kent (Joint Arrangements) Committee recommend that:

- a) the Executive of each participating Council:
 1. Delegates to EKJAC the responsibility to develop business models for a shared HR and Payroll Service between some or all of the parties and to make recommendations to them.
 2. Contributes £10,000 to develop the project.
 3. Agrees to KCC commencing an appropriate procurement process for the acquisition of a suitable HR/Payroll software system provided that the system shall not be acquired until the participating Districts have approved the business model.
- b) upon the first two parties approving the above recommendation the following shall take effect:
 1. The EKJAC delegates to the Project Lead (Wendy Head, Corporate Director, Organisational Performance, Shepway District Council) the power to develop the business models for a shared HR and Payroll Service between some or all of the parties.
- c) The EKJAC delegates' decisions on the use of funding secured to develop the project to the Project Lead as above in consultation with the Chief Executives of the parties.

There being no other business the meeting closed at 10.39 am