Dorset Area Joint Committee

Minutes of the meeting held at South Walks House, South Walks Road, Dorchester on Tuesday, 15 May 2018

Present:
Rebecca Knox (Chairman)
Anthony Alford, Shane Bartlett, Cherry Brooks, Jeff Cant, Graham Carr-Jones, Spencer Flower, Simon Gibson, Matt Hall, Jill Haynes, Colin Huckle, Sherry Jespersen, Byron Quayle, Nick Ireland, Barry Quinn and Daryl Turner.

Officer Attending: Stuart Caundle (Monitoring Officer - West Dorset District, Weymouth & Portland Borough and North Dorset District Councils), Keith Cheesman (Programme Director - LGR), Steve Mackenzie (Chief Executive - Purbeck District Council), Jonathan Mair (Service Director - Organisational Development (Monitoring Officer) - Dorset County Council), Matt Prosser (Chief Executive - West Dorset District, Weymouth & Portland Borough and North Dorset District Councils), Matti Raudsepp (Strategic Director - Christchurch and East Dorset Councils), Debbie Ward (Chief Executive - Dorset County Council) and Lee Gallagher (Democratic Services Manager - Dorset County Council).

Apologies for Absence
37 Apologies for absence were received from Cllr Gary Suttle (Purbeck District Council), Cllr Simon Tong (East Dorset District Council) and David McIntosh (Chief Executive – East Dorset District and Christchurch Borough Councils). Cllr Cherry Brooks attended for Cllr Suttle, Cllr Simon Gibson attended for Cllr Tong and Matti Raudsepp attended for David McIntosh. In addition, Cllr Daryl Turner (Dorset County Council) attended for Cllr Bill Pipe.

Code of Conduct
38 There were no declarations by members of disclosable pecuniary interests under the Code of Conduct.

Minutes
39 The minutes of the meeting held on 17 April 2018 were confirmed and signed.

Matters Arising
Minute 32 – Programme Update
Following agreement at the last meeting to establish a Task and Finish Group on Human Resources issues, it was proposed by Cllr Rebecca Knox, and seconded by Cllr Anthony Alford, that the Task and Finish Group be established urgently. On being put the vote the proposal was agreed.

Resolved
That a Human Resources Task and Finish Group be established as a matter of urgency.

Public Participation
40 Public Speaking
There were no public questions received at the meeting in accordance with Standing Order 21(1).

There were no public statements received at the meeting in accordance with Standing Order 21(2).
Petitions
There were no petitions received at the meeting in accordance with the County Council’s Petition Scheme.

Consolidated Medium Term Financial Plan

The Joint Committee considered a report by Dorset Councils’ Chief Executives on the consolidated Medium Term Financial Plan of the existing councils that would form the new Dorset Council, including the financial cost and savings implications of forming the new council. Cllr Jeff Cant, as the lead member for the Budget Task and Finish Group summarised the progress made in developing forecasted budgets up to and beyond 2019/20. There was a need to monitor closely the financial position to minimise the disruption of the transition to a new council whilst also maximising opportunities to deliver the same for less.

A detailed overview of the budgetary position was shared at the meeting which updated members on the planned expenditure of councils in 2018/19, the risks associated with child and adult social care, service disaggregation work that was due to be completed in June 2018, consideration by the Secretary of State regarding Council Tax harmonisation arrangements, capital funding, and the budget gap in 2019/20 of £17.3m. It was explained that the budget gap included an assumption of the tariff adjustment which Government had been due to consult on in Spring 2018 but this had not yet taken place. If the tariff adjustment was not taken forward this would reduce the forecasted budget gap to £6.4m. Work to be completed included the standardisation of assumptions in each of the councils’ medium term financial plans, disaggregation, and the aggregation of district and borough budgets. The Budget Task and Finish Group would also start to consider additional efficiencies and savings to be identified in the future.

Access to funding to facilitate the delivery of the new council was also reported, and that of the approximate £12.5m required to achieve transformation £1m had been committed so far. It would be necessary for sovereign councils to consider providing additional funding which was likely to come from reserves and capital receipts. More funding would be required to transform services in due course, of which the funding had not yet been identified.

The officer team working on the budget was complimented on the work completed so far, and it was acknowledged that there was still a lot to do.

The importance of the role of the Shadow Executive was raised, together with a collective responsibility across all councils to ensure that reporting and decision making was transparent. The development of the approach to reporting and decision making would also be sewn in to the work of the Governance Task and Finish Group.

Resolved
That the next steps detailed in Section 7 of the Chief Executives’ report be approved.

Finance Order

The Joint Committee considered a report by the Dorset Councils’ Chief Financial Officers on the process for the financial arrangements for the new Dorset Council as part of the consequential orders to be laid before Parliament after the Structural Change Order (SCO) was approved in June 2018. The technical Financial Order would be negotiated with senior civil servants from the Ministry for Housing, Communities and Local Government (MHCLG) over the next six weeks to arrive at a position to enable the new council to raise Council Tax, create a collection fund and create a general fund.

The disaggregation of property rights and liabilities was also summarised, and it was explained that in the case of no agreement being made by the end of 2018 then the
Secretary of State would create a caretaker council to assume these responsibilities pending resolution, and it was suggested that Dorset Council should be the caretaker council at the appropriate time as the vast majority of assets liabilities and rights would be transferred to the new Council as part of the disaggregation process.

**Resolved**
1. That support be given to Dorset Council to act as a caretaker council if there is no agreement on the transfer of property, rights and liabilities to the successor councils by 31 December 2018.
2. That the progress on the Finance Order be submitted to the Shadow Executive in June 2018.

**Consequential Orders**

The Joint Committee considered a report by the Dorset Councils’ Monitoring Officers on the Consequential Orders to be considered for Parliamentary approval following the Structural Change Order (SCO) being made in June 2018. The orders supplemented the main SCO and together formed the legislation that would create the new unitary authorities. Following consideration by the Governance Task and Finish Group held earlier in the day, and the item considered at minute 42 above, it was agreed that the delegation of authority to agree the Financial Order should be given to the Budget Task and Finish Group.

**Resolved**
1. That the development of the Consequential Orders be noted.
2. That that final approval of the Orders be considered by the Shadow Executive in June 2018.
3. That delegated authority be granted to the Task and Finish Group on Governance for the oversight of the ‘Staffing and ‘miscellaneous’ items’ and ‘Civic Functions’ orders, and to the Task and Finish Group on Budget in respect of the Financial Order.

**Updates on Interim Statutory Officers selection and the Chief Executive Appointment process**

The Joint Committee considered a report on the permanent appointment of Chief Executive to Dorset Council following advice and guidance from the Local Government Association (LGA) in February 2018. The open-market appointment process would start following Shadow Council consideration of the appointment process and it was anticipated that it would be completed by the end of July 2018.

An update was also provided in respect of the appointment process for Interim Statutory Officers which would be ‘light touch’. All officers affected had been invited to express an interest in the role and the appointment process would include interviews for candidates in the week commencing 4 June 2018. Recommendations would then be made to the first meeting of the Shadow Council.

A request was made for a suitable statement to be prepared in respect of the appointment process and salary for the Chief Executive at the point the advert was made public so that members were able to respond to public enquiries, and to include reference to regional and national benchmarking. It was agreed that this would be added to the overall programme communications plan.

**Resolved**
1. That that the Leaders of Dorset Councils continue to work with the Programme Director and appointed consultants to agree final recommendations to the Shadow Council for:
   a. The job description, person specification and terms and conditions of employment, the current version of which is set out at appendices 1, 2 and 3 to this report.
   b. The remuneration for the Chief Executive’s post, either as a spot salary or a salary scale with defined performance measures.
2. That the programme communications plan be updated to include information for members in respect of the appointment process and salary of the Chief Executive.

Programme Risk Management

The Joint Committee received an update on the management process to demonstrate that objective and informed decisions were taken to ensure a strong position to successfully face and address the challenges ahead for the implementation of the new Dorset Council. A Risk Workshop was held in February 2018 which formed principles regarding the Joint Committee’s risk appetite, and provided the programme risks identified that exceed the appetite level. The methodology and risk scoring mechanism was explored in terms of the high-level risks facing the programme which were under constant review as they evolved.

In relation to data sharing of risk information, it was confirmed that the corporate risk registers of all councils had been shared with the programme team and they would be analysed to make sure nothing was out of date, but they appeared to all be managed well. The corporate risks would dovetail into a single programme risk register where there were clear implications for the Joint Committee or in creating the new council.

A concern was shared in relation to the very significant scale of risk associated with managing the cost of child and adult social care, especially due to unforeseen factors such as any increase in inflation which would have a dramatic impact on the social care market and the cost burden would fall to the council.

Noted

Shadow Authority Constitution

The draft Constitution of the Shadow Council was provided for Joint Committee consideration prior to it being presented for adoption at the first Shadow Council meeting in June 2018. Cllr Anthony Alford, as the lead member for the Governance Task and Finish Group, reported that the Constitution had been considered in detail at two meetings and highlighted the design and purpose of the document to be used throughout the shadow period only.

A question was asked regarding the political proportionality of the Overview and Scrutiny Committee, of which it was confirmed that proportionality would apply. A question was also asked in respect of the political balance applied to the Shadow Executive, to which it was explained that places were nominated by each sovereign council at that the application of political proportionality was at the will of each council.

The Joint Committee thanked the Group and officers for its hard work.

Resolved

That the arrangements for the Shadow Council to adopt the draft Constitution at Appendix A of the report at its first meeting be approved.

Boundary Review - Electoral Ward Mapping Submission

The Joint Committee received a draft submission in relation to the electoral warding arrangements for Dorset Council which had been developed by the Boundary Review Task and Finish Group. Cllr Spencer Flower, as the lead member of the Task and Finish Group, provided an overview of the boundary review process to arrive at a warding pattern to submit to the Ministry for Housing, Communities and Local Government (MHCLG). The engagement process included eight ‘roadshow’ consultation events with members of all councils which had received a large amount of feedback and enabled some adjustments to be made to the proposal that were within the permitted criteria of the Local Government Boundary Commission for England (LGBCE). Although there had been broad consensus with the approach taken, it was acknowledged that there had been divergent feedback from the
Weymouth and Portland area and that it had not been possible to accommodate suggestions. However, all feedback had been listened to and included in the submission so that MHCLG could take account of all views expressed during its consideration of the proposal.

Members of the Task and Finish Group, and officers, were commended on the significant amount of work undertaken to deliver the submission given the truncated timescale to complete the review to this point. The submission would be made to the MHCLG to inform the proposal that would be made by the LGBCE following commencement of the Structural Change Order in June 2018, and LGBCE would then undertake an eight-week public consultation from 3 July 2018 which would provide the opportunity for representations by the public, including town and parish councils.

A question was asked regarding the alignment of the new council’s wards with the proposals already submitted in respect of the Weymouth Town Council. Confirmation was provided that the proposal within the report would not adversely affect the draft Town Council warding arrangements, although it was noted that the Boundary Commission could develop with an alternative warding pattern within its remit.

Resolved
That the Boundary Review submission be approved for submission to MHCLG and LGBCE as the Joint Committee’s proposal for the future electoral ward mapping for Dorset Council.

Programme Highlight Report

It was explained that:
• arrangements for the shadow council were underway;
• the Structural Change Order was going through parliamentary approval;
• the position in relation to possible Judicial Review was known and that work continued at risk regardless of any challenge;
• service disaggregation work was slightly behind schedule but recent progress provided assurance;
• the programme board had identified sponsors for workstreams;
• external advisers had been secured for appointments to senior roles;
• the draft constitution had been completed;
• the workshop discovery phase of the programme had started and was due to be completed by the end of June 2018 which would reflect a complete range of area to be fed into the highlight report;
• an update was provided on the current recruitment progress of the programme team;
• the programme budget was now fully committed and there would be a need to call on further resource in due course to continue to facilitate the programme;
• the HR workstream was developing work on TUPE transfer of staff, which was a little behind, but was progressing;
• an ICT workstream lead programme officer had been appointed and started on 15 May 2018, and a plan would be made clear regarding the arrangements for day one of the new council on data migration and information governance;
• the Communications and Engagement workstream was very detailed and well advanced;
the decommissioning of each council had been considered to understand what was needed, and as a result decommissioning would be added as a clear area within all workstreams;

• a People Plan would be developed to work through change management with all councils and to ensure all staff were engaged; and

• visioning work for the new council would continue soon alongside development of an operating model.

Following the update, a concern was expressed about the rating of ICT as ‘amber’ given the reliance on ICT for all services was so significant that it should be shown as ‘red’. The Programme Director explained that the amber rating reflected that a plan was in place to recover the current position and red would require a need to act over and above current resources to resolve issues. He was confident that there was sufficient time to understand and deliver given the addition of a lead programme officer to drive the workstream forward.

A request was made for more information to be included in the programme highlight reports to explain the definition of the ratings for each area of work which would provide clarity. It was noted that reference to the dissolution of the East Dorset and Christchurch Councils partnership was not ‘complete’ and this would be amended in the highlight report to reflect it as ‘work in progress’.

Views were expressed that the level of detail presented at the meeting was appropriate for regular updates to ensure visibility, collective responsibility and ownership of the programme. It was also asked that an additional column should be added to the report to show how the progress linked with the work of the relevant Task and Finish Groups. It was agreed that the level of detail shared at the meeting would be presented in future highlight reports.

The Committee discussed the arrangements for a stock-take and assurance to ensure nothing had been missed from the range of activities required to deliver the new council. It was clarified that the Programme Board was the responsible body for ensuring that all areas were included in the programme, which would be derived from workshops, and was monitored on a weekly basis.

Resolved
That the highlight verbal report be noted, and that future reports be updated as per the discussion in the minute above.

Work Programme

It was recognised that the programme highlight report at minute 48 would be used to populate the work programme for the Shadow Council, and that this also needed to take account of the work each partner council was doing, to provide a relevant and visible account to the public of the decision making needed to deliver the new council. This area of consideration would also be addressed by the Governance Task and Finish Group.

The Chief Executive of Purbeck District Council informed the Joint Committee that reports would be brought to each sovereign council for consideration regarding further funding of the programme of £2.163m, with funding required from each council amounting to £1.081 from Dorset County Council, £258k from East Dorset District Council and £134k from Purbeck District Council. The Dorset Councils Partnership had already considered and approved its funding contribution.

Noted

Meeting Duration: 2.00 pm - 3.25 pm