



Minutes of a meeting of Overview and Scrutiny Committee held on Thursday, 16 November 2023

Councillors present:

Gina Blomefield –Chair
David Cunningham
Patrick Coleman
Angus Jenkinson

Gary Selwyn –Vice-Chair
Dilys Neill
Michael Vann
Tony Slater

Clare Turner
Jon Wareing

Officers present:

Robert Weaver, Chief Executive
David Stanley, Deputy Chief Executive and
Chief Finance Officer

Andrew Brown, Democratic Services Business
Manager
Ana Prelici, Democratic Services Officer

Observers:

Councillor Nikki Ind,
Councillor David Fowles

Cabinet Members:

Councillor Joe Harris, Leader of the Council
Councillor Mike Evely, Deputy Leader

a) Chair's Announcement

This item was not on the agenda, but added in at the Chair's discretion. The Chair highlighted the background to the meeting and introduced the house keeping rules of the meeting.

OS.301 Apologies

Apologies were received from Councillor Roly Hughes.

OS.302 Substitute Members

Councillor Patrick Coleman substituted for Councillor Roly Hughes.

OS.303 Declarations of Interest

There were none.

The purpose of the item was to scrutinise the decision taken by Cabinet on 2 November 2023 on the Publica Review.

The Leader introduced the item and outlined the background to the proposal. The Leader that Publica was set up to administer Council Services in 2017, but an LGA Corporate Peer Challenge in 2022 identified that a review should be undertaken into whether Publica remained the correct delivery vehicle for the Council's services. Initially the review looked at selected services, but the scope was subsequently widened. The Leader emphasised that staff working for Publica were an invaluable asset regardless of whether their employment was through Publica or directly for the Council.

The Chief Executive then addressed the Committee and explained the process underlying the consultation. The Chief Executive stated that the Corporate Peer Challenge outlined what was working well, but also stated that the Publica model didn't provide sufficient strategic decision making capacity, and that there were issues of identity. Subsequently Human Engine, a consultancy, were appointed to review the partnership, and identified that moving some of the services in house would not resolve the identity issues. The Chief Executive stated that taking back the majority of services, as outlined in the report, would return decision making ability to the Council.

The Chief Executive also stated that Publica had been asked to make savings, and had identified £2m worth of these through the 'future Publica' programme. It was stated by the Deputy Chief Executive that the savings per Council would be around £660,000, and the Deputy Leader stated that withdrawing the Council's services from Publica would allow increased control and flexibility.

The report highlighted which services would be retained within Publica (e.g. ICT and HR), but the Chief Executive stated that transition plans were being worked on, utilising free consulting services from local partnerships in addition to the resources outlined in the report.

Members subsequently discussed the report and raised points on the pace of the proposals, the financial and governance arrangements.

Members made reference to the transition plan, which the Committee did not have access to. Members raised concerns over Cabinet approving the Human Engine recommendation without having the transition plans in front of them. The Chief Executive and Leader stated that the transition plans would be presented to the Committee at subsequent phases of the decision making. They also stated that the pace was dictated by another partner council, and the partner councils needed to be in alignment due to matters such as staffing and corporate governance. The Chief Executive stated that further details on finances and governance would be presented at future stages.

In regard to the pacing of the proposals, the need to retain staff was referenced. Although the need to scrutinise proposals and make sure governance arrangement were in place, providing clarity through a quick process was mentioned by members as a potential benefit to allow the Council to provide certainty to staff. Likewise, the Leader explained that the length of the process was dictated by the need to consult and ensure appropriate governance arrangements. The Chief Executive Officer also stated that an inbox for staff questions had been set up as a way for staff to ask questions and voice concerns, and that an FAQ document had been set up, which members would be given access to.

Members reinforced their appreciation towards staff at all levels, including top level management, mentioning Jan Britton's good work as Managing Director of Publica.

Members discussed the TUPE arrangements, which would include providing the local government pension scheme to be a more attractive employer. The costs of this were explained by the Deputy Chief Executive Officer.

The Committee discussed the future Publica model, and the Deputy Leader stated that this represented insufficient savings for the Council, and that bringing most services back in house would provide greater control, as well as improving the Council's ability to recruit staff.

Members discussed the cost of the proposals, which included hiring a programme director and programme manager. The Deputy Leader advised that the Council would have enough information to make a decision, and that the Overview and Scrutiny Committee would be involved at future stages throughout the transition period.

Members discussed whether Senior Officers employed directly by the Council would receive a pay increase, commensurate with an increase in responsibility. The Leader and Deputy Leader advised that a regular pay and grading proposal would be taken to Council to be approved, as a routine and separate matter, but if there was an increase in responsibility, an increase in pay may be appropriate.

Members discussed recommendations 2 and 3 of the report;

“2. AGREE That the Chief Executive oversees the creation of a detailed transition plan for subsequent agreement by Cabinet and Council

3. ENDORSE the approach to the further due diligence outlined in the financial implications of the report including analysis of the detailed payroll data required, which will be essential to calculate the short and long-term costs associated with the recommendations set out in the Human Engine report.”

Members stated that detail was lacking to support these recommendations, and that there was insufficient information to scrutinise these. Specifically, reference was made to the Gantt chart, which lacked detail. The Chief Executive stated that the Committee would be involved in transition plans at a later point and would be able to feed into the processes. The Committee discussed ways that it could feed into the process, and there was agreement that regular updates should be brought to the Committee.

The Leader explained the justification behind the decision, and highlighted that without the financial drivers, or the other partner who wished to withdraw from Publica, that the decision would still likely have taken place due to a belief that Publica was not the Council's preferred method to deliver services.

The Chair summed up the discussion and put together several potential recommendations, which were voted on by the Committee.

RESOLVED:

- 1) To recommend to Council that recommendation 1 in the report is amended to read 'Approve the recommendations set out in the Human Engine report (that the majority

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of services are returned to the Council as per the detail provided on page 12 of the Human Engine report)', subject to the completion of due diligence and the agreement of the detailed transition plan.

Voting record - 7 for, 1 against, 0 abstentions

- 2) That the Overview and Scrutiny Committee receives regular updates on the Publica Review (at additional meetings where needed) at critical milestones including prior to future Cabinet / Council decisions. Updates to include oversight of staff concerns and HR implications and how those matters are being managed.

Voting record - 7 for, 0 against, 1 abstentions

Cllr Coleman left the room at 18:35 and Cllr Turner left at 18:50 and therefore neither voted.

There was discussion on two further possible recommendations to Council which related to key points arising from the discussion, but neither had a proposer or seconder and therefore they were not voted on:

- That the Council and its partners consider opportunities for Publica to offer the services retained within it to organisations outside of the existing Publica partner councils.
- That a review of senior officer remuneration should be considered in view of the additional responsibilities of senior officers once services are returned to the direct control of the Council. This should be factored into the financial costs.

The Meeting commenced at 5.00 pm and closed at 7.18 pm

Chair

(END)