

BUSINESS EFFICIENCY BOARD

At a meeting of the Business Efficiency Board held on Wednesday, 26 June 2013 at the Civic Suite, Town Hall, Runcorn

Present: Councillors M Lloyd Jones (Chairman) A. Lowe, Cole, Fry, Lea, McDermott, MacManus, Roberts and G. Stockton

Apologies for Absence: Councillor N. Plumpton Walsh

Absence declared on Council business: None

Officers present: L. Cox, E. Dawson, I. Leivesley, M. Murphy and M. Simpson

Also in attendance: Colette Williams - Grant Thornton

ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

The Vice-Chairman Councillor M. Lloyd Jones was in the Chair at the request of the Chairman.

BEB11 DRAFT ANNUAL GOVERNANCE STATEMENT 2012/13

The Board received a report of the Strategic Director, Policy and Resources, which enabled Members to consider and approve the draft Annual Governance Statement 2012/13.

It was reported that under the Accounts and Audit Regulations 2011 the Council had to produce an Annual Governance Statement (AGS), in a format recommended by CIPFA/SOLACE, to accompany the Statement of Accounts.

It was noted that the intention of the AGS was to identify any areas where the Council's governance arrangements needed to be developed and to set out any action that was proposed to strengthen those arrangements.

Members were advised that the Council's Constitution delegated the responsibility to review and approve the AGS to the Business Efficiency Board. Once approved, the AGS would be signed by the Council Leader and Chief Executive and published on the Council's website.

Action

It was reported that in preparing the AGS, assurances had been considered from a number of sources which were set out in the report for information.

Arising from discussion of the report Members made the following comments:

- in relation to the Council's governance framework it would be useful to provide the name of the 6th priority;
- with regards to the action plan there was nothing reported on the effectiveness of last year's actions on Issues 1 and 2. It would be useful to include this in the AGS;
- how often did the Corporate Governance Group meet and would it be possible to have the minutes from this group on the Business Efficiency Agenda?

In response it was noted that the points raised were good suggestions and as the AGS was in a draft format and the document could be amended to reflect the 6th priority which was corporate effectiveness – business efficiency and the effectiveness of actions carried out last year on Issues 1 and 2.

The Board further discussed Issue 5, regarding the Mersey Gateway Crossings Board (MGCB) and sought clarification on management of tolling operations, membership of the MGCB and how the company related to the Council. In response it was reported that the MGCB would be a limited company but 100% subsidiary of HBC and the Council would set the tolling arrangements initially. It was further noted that a report would be submitted to the next Mersey Gateway Executive Board which would set out the structure for the MGCB.

RESOLVED: That the Board:-

- 1) confirm that the draft Annual Governance Statement reflects the corporate governance arrangements in place at the Council;
- 2) note the key governance issues identified in the document and endorse the action plan proposed to address them;
- 3) agree to the two amendments to the draft AGS as noted above; and
- 4) approve the draft Annual Governance Statement.

BEB12 EFFICIENCY PROGRAMME UPDATE

The Board considered a report of the Strategic Director, Policy and Resources which informed Members of progress made to date with the Efficiency Programme.

It was noted that up to date workstream information was available via the Efficiency Programme Office's team site at: <http://hbc/Teams/EFFIC/Pages/Home.aspx>

The report set out updates on progress to date of current workstreams as follows:

- Review of Operational Fleet & Client Transport (Wave 2);
- Review of Income and Charging (Wave 3);
- Review of Waste Management (Wave 3);
- Review of Policy Strategy;
- Review of Performance and Improvement;
- Review of Communication and Marketing (Wave 4);
- Review of Child Protection (Children in Need Service) (Wave 4);
- Review of Employment, Learning & Skills (Wave 4);
- Review of Intermediate Care (Adult Social Care) (Wave 4); and
- The Wave 5 Efficiency Work Programme.

The Board discussed the review of Income and Charging and Waste Management as it was suspected that the reviews would be delivered later than originally planned and Members queried whether any of the expected savings would be included in the 2013/2014 budget. In response it was noted that savings were not made specifically in terms of individual workstreams but as a wider picture which covered all workstreams.

RESOLVED: That the report and comments made be noted.

BEB13 PROCUREMENT STRATEGY

The Board received a report of the Strategic Director, Policy and Resources which sought approval for the Council's updated Procurement Strategy for the period 2013 to 2016.

It was reported that the Council's Procurement Strategy provided a structured approach to procurement, in order to ensure efficient processes were followed which

would deliver reduced costs whilst maintaining or improving service delivery.

The Procurement Strategy was appended to the report for information and set out the following:

- key objectives;
- new ways for Halton;
- achievements to date;
- commercial approach;
- market engagement/ supplier relationship management;
- category management; and
- purchase to pay / e Procurement.

Members were advised that the strategy had been updated since the centralised Procurement Division was established in 2010.

It was further noted that a Delivery Plan would be prepared in accordance with the Strategy and progress and outputs against key performance indicators would be reported annually to the Board.

The Board discussed the use of national models of standards for procurement around splitting quality and price. In response it was noted that Halton did not really use those models as Halton looked at each individual procurement exercise on its own merits.

The Board further discussed options around joining with other local authorities to obtain further savings around procurement.

Members were advised of the Charter for Employment and Skills through Procurement which was outlined in the Procurement Strategy and it was reported that all neighbouring authorities had signed up to it, in order to maximise the positive impact made by public sector procurement on the Regional economy.

In relation to the recent “Best Council to do business with” award received, it was reported that it particularly commended Halton on the strong range of engagement activity that was in place with suppliers, the good use of the Chest portal, strong data collection systems and the use of key performance indicators. It was further noted that overall it was felt that Halton was an excellent example of how a Council could open up procurement opportunities to small businesses.

The Chair wished to place on record the Board's thanks to the Procurement team for the work carried out in gaining the award.

RESOLVED: That the Board approve the Council's Procurement Strategy presented at appendix 1.

BEB14 EXTERNAL AUDIT UPDATE

The Board received a report of the Operational Director, Finance, which provided an update from Grant Thornton (External Auditors) regarding the following:

- the progress made in delivering their responsibilities as the Council's external auditors;
- a summary of national issues and developments that could be relevant to Halton as a Unitary Council; and
- a number of challenge questions in respect of the emerging issues, which the Board may wish to consider.

Arising from discussion of the information the Board sought clarification on the costs of work for VAT advice. In response it was noted that this varied depending on amount of special projects but was usually in the region of £12,000 to £14,000 per annum.

RESOLVED: That the report be noted.

Meeting ended at 7.43 p.m.