



## **COUNCIL, 27 NOVEMBER 2013**

### **REPORT OF THE GOVERNANCE COMMITTEE**

#### **CREATION OF A SHARED SERVICES JOINT COMMITTEE – AMENDMENT TO THE CONSTITUTION**

Governance Committee, at its meeting on 13 November 2013 was reminded that the Council together with the London Borough of Newham was proposing to run the back-office function of both Councils as a joint operation under the control of a Joint Committee. The implementation of this proposal would require the Council's Constitution to be amended to allow for such a joint venture to proceed (similar changes would have to be approved by Newham).

There was some degree of urgency because, in order to maximise the opportunity for both boroughs to benefit from mutually arranged reductions in expenditure from 1 April 2014, the Joint Committee would have to be created and ready to begin its work as soon as possible.

The first steps to setting up this Joint Committee would be that both Councils' Cabinets adopted the plan (which in Havering was 20 November and Newham, 21 November) with Havering's decision being ratified by full Council on the 27 November.

Members deliberated at length about the potential implications of the creation of such a body but acknowledged that delay would unnecessarily impact on the ability of both councils beginning to reap the benefits of reduced costs and consequent savings and would put both councils at risk in their attempts to ensure all necessary services were provided within budget.

The Committee was reminded that whatever decisions were taken in Cabinet and full Council, the Constitution itself needed to be amended to accommodate a joint body and that this was the sole purpose of the report.

#### **The Governance Committee accordingly recommends to Council that:**

1. It agrees to the formation of a joint committee with the London Borough of Newham to deliver various back-office functions for both Councils.

#### **And that the section of the Constitution dealing with Joint Working Delegations (Section 2.8) be extended to include the following:**

2. The following amendment to the constitution is made:

In section 2.8 Joint Working Delegations add:

(c) Shared Services Joint Committees

This is an executive committee of this Council and the London Borough of Newham with a membership of 3 councillors from the executive of each Council.

The committee's functions will be from the 1<sup>st</sup> April 2014 to control and co-ordinate the back-office functions of both Councils, in the case of Havering these will be:

- (a) Finance & Procurement
- (b) Exchequer Services
- (c) Asset Management
- (d) Legal Services
- (e) Democratic Services
- (f) Strategic HR and Organisational Development
- (g) Business Systems

These functions are set out in detail in Schedule 2 of the Joint Committee Agreement with the London Borough of Newham.

The Joint Committee will, prior to the 1<sup>st</sup> April 2014 determine the senior management arrangements for the proposed shared service.