

To: Cabinet

Date: 6 December 2022

Report/Comments of: Audit & Standards Committee

Title: Scrutiny Feedback to Cabinet - Strategic Partnership –  
Memorandum of Agreement

<b>SUMMARY OF REPORT CONSIDERED</b>	
<b>Report Title:</b>	Strategic Collaboration – Draft Memorandum of Agreement
<b>Purpose/Description of Report:</b>	The purpose of the report is to feed back the comments from the Audit and Standards Committee to Cabinet at the point they consider the Strategic Partnership between Melton Borough Council and Harborough District Council.
<b>Key Decision:</b>	No
<b>Audit &amp; Standards Lead Member:</b>	Audit & Standards Chairman
<b>Relevant Portfolio Holder:</b>	Leader of the Council

## **1. Introduction and Overview**

The scope of the Audit & Standards Committee meeting was that the Committee note the draft Memorandum of Agreement and provide comments on the governance arrangements which would underpin the Strategic Partnership for consideration by Cabinet prior to making a recommendation to Council in December.

The Committee were provided with a report drafted by the Monitoring Officer and the Draft Memorandum of Agreement (MOA). The scope excluded any report of the output of the Scrutiny Committee Meeting of the 22 November 2022 focusing on the proposed shared arrangements. The relevance of any report would have been any content relating to the scope of this Special Audit and Standards Meeting which was contained in the published papers. At the time of the 23 November 2022 meeting Members were not informed if a Scrutiny report has been produced or will be in the future. The minutes of the

22 November Scrutiny Committee meeting will of course be published at some time.

The document known as the business case was excluded from the scope of the Audit & Standards Committee meeting.

A 'Due Diligence' Report was not included in the papers, The Monitoring Officer verbally referred Members to the Business Case available elsewhere for what they considered to be the relevant information.

The Draft MOA contained reference to clause xx – considering proposals to withdraw from the arrangements within 6 months. The detail in the appendix was not included in the Draft MOA reviewed by Members. There was also a reference xx which needed inserting for the dispute clause.

The papers provided included a statement that independent legal advice on the content of the MOA will be obtained by Melton Borough Council (MBC). Members reviewed the Draft MOA in good faith and commented by exception.

The Cabinet and all Members are advised to consider the stated independent legal advice yet to be received.

## **2. Summary of Feedback/Recommendations for Cabinet Consideration**

- The Draft MOA at paragraph 4.12 states that so far as is reasonably possible, shared Officers shall divide their time fairly and reasonably in accordance with the reasonable direction of the Chief Executive (CEO). Members questioned how will this be monitored, including the shared time of the CEO?
- The proposed options for sharing some staff based on the relative sizes of the two Councils that would result in these staff being available for MBC work between 31% and 35% of their time. Members queried whether these percentages were enough to get the work done at MBC and what would be the workload implications for subordinate staff? Particular reference was made to the potential risk of adverse impact on the management of Housing Services.
- References in the Draft MOA to withdrawal from the agreement within the first six months. Taking into account a December 2022 start date stated in the Draft MOA or an early January 2023 start date verbally indicated by Officers at the meeting, Members preference is that this should be changed to state the early withdrawal period is up to the 31st July 2023, so to allow reasonable time for any incoming administration(s) to fully consider the shared arrangements,

- The Draft MOA refers to the two Council's Cabinets. Members request Cabinet consider the how the shared arrangements can continue if one or both councils move to a Committee Governance structure and if/how the current Draft MOA wording may need to be amended prior to entering into shared arrangements.
- Schedules 2 and 3 state in outline the roles of the Shared Stakeholder Group and Shared Strategy Board respectively. Schedule 3 states the role of the Strategy Board includes monitoring the shared workforce arrangements and will meet on at least two occasions per year but will also meet as required. Implicit in the role is monitoring the performance of the Shared Stakeholder Group at Schedule 2 that meets monthly. To ensure a solid foundation for the early months of any shared arrangement that may be subject to review of the contribution so far of the arrangements post May 2023 elections, Cabinet could consider the frequency of the meeting Schedule for the first six months of any agreement.
- Paragraph 17 of the Draft MOA, Anti-Corruption. Cabinet is informed compliance with the Bribery Act 2010 is overseen by the normal Audit and Standards Committee business. The meeting scheduled for the 30th November 2022 includes a Bribery Act Risk Assessment paper.
- In addition to the comments above, Cabinet is asked to consider an operational aspect of the proposed shared arrangements. Where the physical presence of officers is required around the shared area will both the planning and operational delivery of any shared services and operational ensure all rural areas are adequately serviced?

**Written by: Audit & Standards Committee Chairman**