

**CABINET - 13th SEPTEMBER 2011****REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**
EAST MIDLANDS SHARED SERVICES: CONSULTANCY SUPPORT**Purpose**

1. The purpose of the report is to advise Cabinet of the urgent action taken by the Chief Executive, under delegated powers, to accept a delegation of the procurement function from Nottingham City Council for the purposes of securing consultancy support for the East Midlands Shared Services (EMSS).

Recommendations

2. It is recommended:
 - (1) That the County Council be recommended to note the urgent action taken by the Chief Executive, under delegated powers, to accept a delegation of the procurement function from Nottingham City Council to the County Council until 12th September 2011 for the purpose of securing consultancy support for EMSS;
 - (2) That it be noted that after the 12th September the City Council's procurement function for this consultancy support will be delegated to the Joint Committee established to oversee the shared service (subject to the City Council giving its approval to the establishment of this Joint Committee).

Reasons for Recommendations

3. The delegation of the procurement function from Nottingham City Council to the County Council under Section 19 of the Local Government Act 2000 was required to enable the procurement of consultancy support to assist in the delivery of the EMSS.
4. Under Part 3 of the Constitution, the Chief Executive has delegated power between meetings of the Cabinet to take action between meetings which he considers is urgent in consultation with the Leader, subject to the details of that action being reported to the next meeting of the appropriate body concerned. In this case the relevant body is the full County Council.

Timetable for Decision

5. Nottingham City Council's Executive Board gave approval for this time limited delegation at its meeting on 19th July. Given the proximity of this decision to the Cabinet meeting on 26th July (with agenda papers published on 18th July), it was not possible for this issue to be considered fully by the Cabinet until a formal decision had been made by the City Council. This necessitated urgent action being taken by the County Council's Chief Executive.
6. This delegation of the procurement function from Nottingham City Council is time limited to September 2011, when the City Council will be asked to give its approval to the establishment of a Joint Committee to govern the shared service arrangement.

Policy Framework and Previous Decision

7. On 26th July 2011 the Cabinet was asked to note that, subject to the approval of Nottingham City Council's Executive Board, the County Council would be asked to accept this time-limited delegation.
8. On 7th September 2010, the Cabinet was recommended to approve the establishment of a Joint Committee to oversee the operation of the shared service.

Resource Implications

9. The resource implications for the procurement (including the consultancy support) were set out in the report presented to the Cabinet on 7th September 2010. The costs of this consultancy support are being shared by the County and City Councils.
10. The establishment of this shared service, is expected to generate £2m of savings which will be shared equally between the two Councils.

Circulation Under Local Issues Alert Procedure

None

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PART B

Background

11. EMSS is a partnership between the County Council and Nottingham City Council to deliver high quality support services through a common ICT infrastructure and best practice processes in an efficient and cost effective manner. Details of the partnership including a summary Business Case were reported to the Cabinet on 7th September 2010.
12. The consultancy support is being used to support the County and City Councils to deliver the EMSS and the implementation of the managed hosting service. The County Council's Strategic Partnering contract with Deloitte is being used to provide this consultancy support.
13. The delegation of the procurement function from Nottingham City Council to the County Council is time limited pending formal approval by the City Council of the establishment of the Joint Committee on 12th September. After this time, the procurement of consultancy support for Nottingham City Council will be undertaken on behalf of the City Council by the Joint Committee, which has been established to oversee the shared service. The first meeting of the Joint Committee is scheduled to take place on 23rd September 2011.

Background Papers

Report of the Director of Corporate Resources to Cabinet 7th September 2010, 'Shared Services with Nottingham City Council'

Report of the Director of Corporate Resources to Cabinet 26th July 2011, 'East Midlands Shared Services: Procurement of Managed Hosting Service'

Equal Opportunities Implications

14. Relevant impact assessments will be carried out from proposals brought forward as part of the planning and implementation process.

Partnership Working and Associated Issues

15. EMMS is a key partnership for the County Council and Nottingham City Council and the Joint Committee governance model is being underpinned by a partnership agreement.

Risk Assessment

16. The risks associated with the procurement of this consultancy support have been addressed through a risk management approach both at project and programme level and in line with the County Council's risk management approach. The City Council will be seeking an indemnity from the County Council for this procurement activity. This in turn has been addressed through the County Council's own insurance arrangements.