

Lancashire County Council

Scrutiny Committee

**Minutes of the Meeting held on Thursday, 14th November, 2013 at 2.00 pm
in Cabinet Room 'B' - County Hall, Preston**

Present:

County Councillor Bill Winlow (Chair)

County Councillors

A Barnes	C Pritchard
K Ellard	S Serridge
R Newman- Thompson	J Shedwick
Mrs L Oades	C Wakeford
D O'Toole	D Westley
M Parkinson	G Wilkins

1. Apologies

None

2. Disclosure of Pecuniary and Non-Interests

There were no interests disclosed.

3. Membership of the Board of One Connect Limited

The Committee considered the request made by five members of the County Council that the decision made by the Leader of the Council on 6 November 2013 on the membership of the Board of Directors of One Connect Limited be "Called In".

The Committee received a presentation from County Councillor Geoff Driver, outlining why he felt that the decision should be reconsidered. He explained his principle concern that the decision left the County Council unrepresented on the Board of Directors of One Connect Limited at a crucial time. He stressed that he had no objection to the decision to remove three existing nominations, however, he felt there was no compelling reason not to nominate replacements.

The Committee then invited County Councillor David Borrow, Deputy Leader of the Council to speak on behalf of the Leader, who had taken the original decision. He explained that the County Council did retain one director on the Board of One Connect Limited, but that the important issue was that discussions were ongoing with BT about the future contractual and working relationship between them and

the Council. He stressed that One Connect Limited was simply the vehicle by which the joint venture between the County Council and BT was operated.

Eddie Sutton, Assistant Chief Executive, and Ian Fisher, County Secretary and Solicitor, clarified that the Board of Directors of One Connect Limited had not met for around 6 months, and that a waiver to facilitate this had been agreed with BT. They also advised that a further waiver was currently being discussed with BT. The Council retained one Board director, which would ensure that any technical or legal requirements, such as the signing off of accounts, could still be completed.

County Councillor Borrow further stated that the position following the decision would represent no disadvantage to the County Council, and also expressed the view that the council's interests would be further protected and enhanced through focussing on the Council's relationship with BT .

The Committee debated the matter. Amongst the points noted were:

- Discussions with BT were ongoing. Part of the purpose of these discussions was to ensure that the County Council's legal position was appropriately protected, including its obligations on the use of council resources. A further meeting was scheduled with BT to take place within the next two weeks.
- It was confirmed that the position was under review, and that if it was felt to be appropriate in future to re-appoint to the Board, of Directors of One Connect Limited this would be considered.
- It was felt to be unclear what benefit the council had gained from holding positions on the Board of Directors of One Connect Limited, and a number of recently highlighted concerns about the operation of One Connect Limited were referred to.
- The quoracy rules for One Connect Limited Board meetings were confirmed, and it was made clear that the secretarial support for the Board of Directors of One Connect Limited was provided by BT who would ensure that all compliance requirements were met.
- Concerns were raised that One Connect Limited played an active role in the day to day operations of the council, including the secondment of a number of LCC staff, and therefore to have to representation at Board level was a concern.

Following the discussion, it was proposed and seconded that "The Leader of the Council is not asked to reconsider her decision".

A request was made for the vote to be recorded. However, the request did not receive the support of the required six members of the committee.

On being put to the vote, the motion was carried, and it was therefore

Resolved: That the Leader of the Council is not asked to reconsider her decision of 6 November 2013 on the Membership of the Board of One Connect Limited

4. Urgent Business

None

5. Date of Next Meeting

It was noted that the next meeting of the Committee would be on Friday 6 December at 10.30 at the County Hall, Preston.

I M Fisher
County Secretary and Solicitor

County Hall
Preston