



CABINET

4TH DECEMBER 2014

AGENDA ITEM (7)

A 2020 VISION FOR JOINT WORKING

Accountable Member	Councillor Lynden Stowe Leader of the Council
Accountable Officer	David Neudegg Chief Executive 01285 623000 david.neudegg@cotswold.gov.uk

Purpose of Report	To consider an update report from the 2020 Programme Board setting out interim arrangements, strategic outline case and progress towards shared working efficiencies for 2015/16
Recommendation(s)	<p>That Cabinet resolves to:</p> <ol style="list-style-type: none">1. Establish a shared services partnership venture in early 2015 between the 4 authorities, managed by a joint committee operating under a Memorandum of Understanding (for an interim period pending a further report being considered in the autumn of 2015 as set out in Recommendation 8).2. Note that a further report will be brought back to the Cabinet to finalise the Memorandum of Understanding.3. Authorise the 2020 Programme Board to allocate the principal roles of Interim Lead Commissioner and Interim Managing Director of the partnership venture, and the appointment of the Programme Director.4. Agree the principle of the two principal interim roles, the heads of paid service in each authority, and the Programme Director sharing collective responsibility for the successful delivery of the programme.5. Agree the creation of a project to develop effective commissioning arrangements for each authority, including exploring the potential for sharing commissioning functions where possible.6. Agree the review of the statutory posts of Head of Paid Service, Monitoring Officer and S151 officer during the course of the 2020 Vision implementation programme including the potential for sharing where appropriate and practical with further reports to be considered by each Council as appropriate7. Agree the principles and recommendations proposed in the Activist report as set out in Appendix 'A'.

	<p>8. Consider a further report in the autumn of 2015 regarding any recommendations for the future governance arrangements of the partnership venture.</p> <p>9. Note the one-off transition costs and the estimated annual revenue savings as set out as part of the Strategic Outline Case and request that Council considers the total allocation of £1.2M one-off funding over 5 years within the Council's Medium Term Financial Strategy through the budget consultation and approval process as this Council's contribution to the 2020 Vision Programme.</p> <p>10. Note the latest position with new shared service proposals (see separate agenda item of Public Protection Shared Service) and consider individual business cases as and when appropriate.</p> <p>11. Subject to the agreement of West Oxfordshire District Council, approve the revised senior management structure with a shared Strategic Director for Planning (as set out in Appendix 'B').</p> <p>12. Authorise the Chief Executive to finalise the Job Description and Person Specification for the new post, and to make the necessary arrangements as set out within the report to complete the appointments process.</p> <p>13. Report the financial costs to Full Council in accordance with the Pay Policy Statement.</p>
Reason(s) for Recommendation(s)	To meet the Council's vision of being the most efficient Council in the country

Ward(s) Affected	All
Key Decision	Yes
Recommendation to Council	The request for one-off funding to support the programme will be considered as part of the 2015/16 budget process

Financial Implications	<p>The strategic outline case identifies the shared annual revenue savings at the end of a 5 year period to be £5.2m. For this Council, the additional shared services benefit is anticipated to be in excess of £1,250,000 per annum, which is £650,000 above that already identified for shared services within the Medium Term Financial Strategy approved in February 2014.</p> <p>All costs associated with developing the proposals to the next stage (decision in autumn 2015) can be met from the grant awarded under the Transformation Challenge Award Fund.</p> <p>Details of the financial implications for this Council are set out in Para 4.6 and will be incorporated within the Council's update to the Medium Term Financial Strategy which will be presented to Council in February 2015.</p>
Legal and Human Rights Implications	None

Environmental and Sustainability Implications	None at this stage
Human Resource Implications	The Human Resource issues will be considered and developed as part of the programme plan and reported to the Interim Joint Committee and if necessary to individual Councils.
Key Risks	These are set out in the table 7.3 of the full version Activist report (see Background Papers)
Equalities Analysis	No effect on protected groups identified at this stage. A full Equalities Impact Assessment will be required as part of any future report on future governance arrangements.

Related Decisions	2020 Vision Cabinet Reports relating to Joint Working - June 2014
Background Documents	A 2020 Vision for Joint Working - Report on Options for Future Delivery Models and Interim Management Arrangements - Activist Group 2020 Vision Programme Board minutes agendas and reports Strategic Outline Case
Appendices	Appendix 'A' - Executive Summary, Recommendations and Principles of Activist Report Appendix 'B' - Senior Management Review Considerations Exempt Appendix 'C' - Redundancy Costs

Performance Management Follow Up	To implement the Cabinet's decisions
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Options for Joint Working	The proposal seeks to enhance working in partnership with the other neighbouring local authorities.
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<p>Background Information</p> <p>1. In June 2014 the Cabinets approved a vision for joint working between the GO Partner Councils (Cotswolds, West Oxfordshire, Cheltenham and Forest of Dean).</p> <p>2. The vision is for a number of Councils, retaining their independence and identities, but working together and sharing resources to maximise mutual benefit leading to more efficient, effective delivery of local services.</p> <p>3. The Cabinet agreed the following specific recommendations:</p> <ul style="list-style-type: none"> • Approve the establishment of a 2020 Vision Programme Board with Councillor representation from each council. • Authorise the 2020 Vision Programme Board to develop a programme plan; business case; and consider any efficiency savings that could be delivered for 2015/16 with a further report to partner councils in Autumn 2014. • Authorise the 2020 Vision Programme Board to submit applications to the Transformation Challenge Award for additional funding support.

4. Programme Plan, Business Case and Shared Services for 2015/16

4.1 In order to meet the requirements of the above recommendations, the Programme Board commissioned studies to further develop interim arrangements to implement the programme; the development of an ICT strategy to support the partnership together with an assessment of costs; the development of a strategic outline case; expert opinion on the delivery of pension savings; and support to develop quick wins in extending UBICO and a joint public protection and regulatory services review.

4.2 It was considered that the work to develop Interim Arrangements needed to be both independent and engage extensively with Members and senior officers across the partnership. Following a competitive process, Activist were appointed to undertake this work, funded by grants secured under the Government's Transformation Challenge Award programme. An executive summary of their report is attached at **Appendix 'A'** and includes all their recommendations and principles to be adopted moving forward.

4.3 The programme plan and strategic outline case has been developed using the Activist report for key elements and developed internally by the Programme Team with support from GO Shared Services and shared ICT staff.

4.4 The Strategic Outline Case is available as a background document and can be made available by contacting the Committee Services Team. In summary, this seeks approval to invest an estimated £7.8m in the 2020 Vision Programme over the next 5 years, to deliver annual revenue savings of £5.2m whilst retaining the link between local people and their existing Local Authorities.

4.5 Members will recall that the partnership had received a grant of £500,000 from the Government's Transformation Challenge Award fund in March 2014. On 1st July the partnership applied for a further £400,000 of funding which was approved in September subject to confirming back to Communities and Local Government the implementation of our Interim Arrangements before 31st March 2015.

4.6 A further application to the fund has been made for the 2015/16 programme and we have recently been advised that a further grant of £2.9m is being made to support the programme. This will require £4.9m of funding to be allocated locally over the next 5 years. This Council's share of one-off funding is £1.2m which will, if this report is approved, be incorporated into the Council's Medium Term Financial Strategy to be considered in February. The Council's share of the financial benefits is estimated to be £1.3m. The table below sets out the financial case for this Council:

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 6-10	Total Years 1-10
	£000	£000	£000	£000	£000	£000	£000
Estimated Costs							
Capital	305	75	125	125	125	0	755
Revenue	325	405	320	75	75	0	1,200
Total	630	480	445	200	200	0	1,955
Funded By:							
TCA Bid 2015/16	630	95					725
Partner Council Contributions	0	385	445	200	200	0	1,230
Total	630	480	445	200	200	0	1,955
Savings: Annual	60	375	430	190	35	180	1,270

4.7 Forest of Dean and West Oxfordshire are currently considering the business case for transferring depot services and becoming shareholders of Ubico. In addition, Tewkesbury and Stroud have already considered a business case to become shareholders of Ubico and wish to do so. Consequently the shareholding of Ubico could increase to six in April 2015. As an existing shareholder there will not be any significant benefit to this Council other than a contribution to the recovery of one off costs previously incurred in setting up the company and a small revenue saving arising from spreading back office costs over more partners.

4.8 A detailed paper on the business case for a shared public protection service is included for consideration under item (8) on this agenda.

4.9 At its Meeting on 6th June 2013, the Cabinet approved a report setting out the future opportunities for additional joint working with West Oxfordshire District Council (Minute CAB.8 refers). As part of that report, it was that recognised current differences between the Councils' Senior Management Structures were a potential barrier.

4.10 At its meeting on the 7th November 2013, the Cabinet considered detailed proposals to restructure the senior management team with a phased reduction of Directors from four to three, and reduction of units from seventeen to twelve, with two units in each Council reporting directly to a non-shared Director and the other eight split between the existing shared Directors.

4.11 Set out at **Appendix 'B'** is a proposal to share a Strategic Director for Planning, through a joint appointment process. The postholder will initially work primarily for Cotswold District Council in the first 6 months, before being fully shared on the retirement of the existing WODC Director in the Autumn of 2015.

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