



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 16 APRIL 2026
Subject	REVIEW OF PUBLICA GOVERNANCE AGREEMENT & EXTENSION OF SERVICE AGREEMENT
Wards affected	All.
Accountable member	Cllr Mike Evely, Leader of the Council Email: mike.evely@cotswold.gov.uk
Accountable officer	Angela Claridge, Director of Governance & Development (Monitoring Officer) Email: angela.claridge@cotswold.gov.uk
Report author	Angela Claridge, Director of Governance & Development (Monitoring Officer) Email: angela.claridge@cotswold.gov.uk
Summary/Purpose	<p>The purpose of this report is for the Cabinet to consider proposals for amendments and an extension to governance arrangements following the conclusion of the Publica Review. This includes the updating of service specifications, service agreements, the members agreement and articles of association.</p> <p>The report also seeks delegated authority to make any minor adjustments to the Publica specification in the run-up to Local Government Reorganisation should it become necessary.</p>
Annexes	None
Recommendation(s)	<p>That Cabinet resolves to:</p> <ol style="list-style-type: none">1. Approve in principle the changes to the governance agreements set out in section 3.2. Delegate authority to the Chief Executive, in consultation with the Leader, to finalise and enact through appropriate legal documentation, the detailed changes to the



COTSWOLD

District Council

	<p>agreements, in line with the principles agreed.</p> <p>3. Delegate authority to the Chief Executive, in consultation with the Leader, to approve minor amendments to the scope of services delivered by Publica to Cotswold District Council in advance of Local Government Reorganisation.</p>
Corporate priorities	<ul style="list-style-type: none">• Preparing for the Future• Delivering Good Services• Supporting Communities
Key Decision	Yes
Exempt	No
Consultees/ Consultation	Publica Board Council Management Teams Shareholder Forum (Leaders) Publica Transition Legal Workstream (Monitoring Officers & Legal)



1. EXECUTIVE SUMMARY

- 1.1** The arrangements for shared service provision within the Publica partnership have been subject to a significant level of change over the last two years as a consequence of the Publica Review. There has been significant change to the company board structure with new Non-Executive Directors appointed including council officer representation and a slimmed down Publica Executive structure reflecting the reduced service provision to partners.
- 1.2** The changes set out in this report provide for an updated set of governance arrangements to support the service changes post the Publica review, clarifying roles and responsibilities as well as revising service specifications to reflect current provision. The changes also provide both certainty and the necessary flexibility as we move towards Local Government Reorganisation (LGR).
- 1.3** The approved changes will be legally enacted most efficiently through deeds of variation to the original documentation (<https://publicagroup.uk/who-we-are/key-information/>) rather than requiring full replacement documentation, where possible, thereby minimising any legal costs.
- 1.4** The report seeks delegated authority for the Chief Executive, in consultation with the Leader, to implement any minor amendments to the service specification should these be expedient as we approach Local Government Reorganisation.

2. BACKGROUND

- 2.1** The governance documents that support the delivery of services by Publica were approved prior to its launch in 2017. These documents (found at <https://publicagroup.uk/who-we-are/key-information/>) outlined the arrangements for managing the company and its service delivery for all partners. For three of the partners (Cotswold, Forest of Dean and West Oxfordshire) this included three separate service specifications relating to Support Services, General Services and Commissioning. Cheltenham only took Support Services and as such, has one service specification. These service agreements all had different timelines associated with them.
- 2.2** The Publica Review has fundamentally changed the nature of the service offering from Publica to its shareholding councils such that three separate contracts are no longer necessary. Having paused any further significant changes to the Publica service offer prior to determining Publica's future as part of LGR, the shareholders



requested that Publica review and update the governance documents to reflect the current position in terms of service delivery and to prepare for LGR.

2.3 In recognition of the changing specifications since the commencement of the Publica Review, the partners have been operating on a range of side letters to accommodate these changes and indeed, expiring service agreements timelines. It was agreed that revising the agreements at this stage was sensible to provide certainty for councils and employees whilst retaining flexibility as we move towards LGR.

2.4 Cheltenham BC has recently extended its service agreement (not impacted by the Publica Review) until 31 October 2030, as accommodated for within the original agreements.

2.5 The key agreements that have proposed changes within this report are:

- Articles of Association
- Members Agreement
- Services Agreements
- Services Specifications.

3. SUMMARY OF THE MAIN CHANGES TO GOVERNANCE DOCUMENTS

3.1 The key changes required in the documents are set out below. These changes have been considered in detail by the Shareholder Forum where the council is represented by the Leader.

Articles of Association

3.2 Some very minor changes are proposed to largely reflect current practice:

- clarifying that annual distributions or surpluses are permitted and that this does not require prior shareholder approval
- removing reference to the dormant companies (now dissolved)
- removal of the requirement to annually renew the Chair of the Boards appointment (the three-year term remains unaltered as does the ability to remove the Chair within the term)

Members Agreement

3.3 Relatively minor changes are proposed reflecting current practice. It is proposed that these changes are enacted by a deed of variation.

- Clarifying that surpluses can be distributed annually



- Clarifying that members will fund the consequences of any decisions that they have made (as they did in respect of the Publica Review) subject to decision making unanimity
- Clarifying the timelines for the annual business plan reflecting a more appropriate timeline that matches council and Publica budget processes

Services Agreement

- 3.4** The Services Agreement has more significant changes specifically to deal with the merging of three separate specifications into one. There is now one specification of 'services', removing Commissioning Services and General Services. There is also an amendment to create a single agreement end date of 31 October 2030. This aligns with the date used by Cheltenham which provides continuity should any new unitary authority want to continue with the model or undertake a phased shutdown, whilst retaining flexibility for termination earlier, if necessary, in the run up to reorganisation.
- 3.5** There has also been some general updating to pick up changes in legislation such as General Data Protection Regulation and changes to clauses to reflect how the agreement works in practice rather than originally specified.
- 3.6** A summary of the changes is set out below:
- definitions updated and a revised expiry date / extension opportunity to protect new unitary options
 - updating of section on notices to reflect current addresses and methods
 - updating of payments processes and timings to reflect actual practical arrangements that have been in use since Publica was formed
 - updating quality control arrangements to reflect the current position
 - updating of relevant insurance provisions to reflect what is procured in partnership with the councils
 - clarification about what is included within the annual report
 - a revised service specification (see below)
 - a revised communications protocol to clarify role of Member Representative Board (Shareholder Forum) and Client Office Group (Operational Forum).

Service Specification

- 3.7** Revised service specifications are provided (one for each council) setting out the services now provided post phases 1 and 2 of the Publica Review. These follow the



same format and level of detail in the original documents but are rewritten to reflect current service provision and there is one for each partner council. These are supported by detailed service plans for each service area which are provided to the council management teams.

- 3.8** The specifications will be live documents and reflect any further changes that occur should councils further amend service provision as we approach Local Government Reorganisation.

4. FUTURE TRANSITION OF SERVICES FROM PUBLICA TO THE COUNCIL

- 4.1** The Publica Business Plan (elsewhere on this Cabinet agenda) sets out how the partner councils and Publica will continue to work collaboratively to prepare the remaining Publica services for the impact of Local Government Reorganisation. In practice, this is likely to mean aligning staff operationally with one of the partner councils where possible, whilst they remain employees of Publica.

- 4.2** It is possible that some minor variations to the specification may be needed as a consequence of this work and this report seeks delegated authority to enact such minor amendments.

5. ALTERNATIVE OPTIONS

- 5.1** The council could continue to operate the arrangements with Publica under side letter but this would fail to provide clarity of revisions to roles and responsibilities and the service specification after the Publica Review.

6. FINANCIAL IMPLICATIONS

- 6.1** There are no direct implications from the approval of the revised governance arrangements set out in this report.

- 6.2** The Publica budget and revised costing model outcomes have been included within the 2026/27 budget and MTFS. Where any changes to service provision is made 'in year' these are subject to contract variations and budgets amended following close dialogue between the Publica and council finance teams.

7. LEGAL IMPLICATIONS

- 7.1** It is anticipated that the legal execution of the changes to the documents will be conducted, where possible, by deed of variation and will be carried out by the in-house legal team. Whilst the legal team does act on behalf of both parties no conflicts of interest are anticipated as the changes have been agreed by all parties.



8. RISK ASSESSMENT

- 8.1** Updating of these agreements seeks to minimise risk to the council moving forward by providing greater clarity in roles and responsibilities moving forward.
- 8.2** The documents seek to provide certainty to the councils that service provision will continue, provides certainty to Publica and its employees that contractual arrangements remain in place, whilst providing flexibility for the council or its successor to retain or amend the arrangements as necessary.

9. EQUALITIES IMPACT

- 9.1** There are no impacts of these changes under equality legislation.

10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 10.1** There are no impacts on sustainability matters through approval of these governance changes.

11. BACKGROUND PAPERS

- 11.1** None.

(END)