

 Executive, 9 th February 2011		Agenda Item No. 9
Title	Joint Working with Stratford on Avon District Council	
For further information about this report please contact	Chris Elliott Chief Executive	
Service Area	Chief Executive's Office	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number		
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant Deputy Chief Executive, Head of Service, Finance, Monitoring Officer and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott
Head of Service		All
CMT		
Section 151 Officer		Mike Snow
Monitoring officer		Andrew Jones
Finance		Jenny Clayton
Portfolio Holder(s)		Michael Doody, Les Caborn
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report.		
With Leader and Deputy Leader of WDC, SMT, CMT and Chief Executive of SDC		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **SUMMARY**

- 1.1 The report provides an update on the proposal for joint working with Stratford on Avon District Council (SDC) and recommends that owing to a number of factors, a shared service programme should no longer be pursued. However, other projects with SDC and indeed any other body, where a robust business case can demonstrate that financial savings, service improvements and/or service resilience can be achieved, should still be considered.

2. **RECOMMENDATION**

- 2.1 That the Council should cease work on a shared service programme in all respects with Stratford on Avon District Council (SDC). This includes revoking the memorandum of understanding and the proposal for a Joint Committee.
- 2.2 Notwithstanding 2.1 above, the Council should still consider proposals with SDC and indeed any other public, private and voluntary bodies where a business case can demonstrate financial savings or cost neutrality and one or both of the following: service improvements and/or service resilience.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 Following a decision not to pursue a proposal for a joint management team with SDC in August 2010 the Council had agreed that a programme for shared services and other common issues such as terms and conditions of employment and IT should be developed and SDC be treated as its preferred partner. With that in mind the Joint Working Party had continued to meet, especially in the light of the progress of work being undertaken on a joint business case for a shared revenues and benefits service.
- 3.2 However, in progressing that work it became clear that issues surrounding shared services, regarding support service costs were significant to both Councils and required an overall approach and understanding by both authorities. As part of that consideration, proposals for swapping services to mitigate the transfer of residual support service costs were considered but were deemed unsatisfactory.
- 3.3 Whilst this was being considered the Government advised, as part of its proposals regarding Universal Credit, that it was its intention to take the housing benefits service from local authorities into a large national service in a few years time. It is felt that with this being the case there is little point in either Council pursuing a shared service if it is to be taken from them shortly. The likelihood is that the business case would show diminished savings and resilience.
- 3.4 SDC has also in the meantime re structured their senior management with the aim of achieving most of the savings envisaged in the original proposition for a shared management team. They are also considering a proposal for shared services/management team with another District Council.
- 3.5 This Council for its part has developed and agreed a significant programme (Fit for the Future – see another item on this agenda) of change to achieve the necessary financial savings and service improvements. There is a limit to the capacity of what can be undertaken by staff and managers at any one time.

- 3.5 The culmination of all of these factors is a mutually agreed conclusion by the Leaders and Deputy Leaders of both Councils that the previously agreed work should cease, although it is clear that there remain areas where it will still be of value to work together – for example, CCTV (Close Circuit Television) and CSPs (Crime and Safety Partnership). The shared business rates collection team will continue.
- 3.6 This Council is also engaged at a sub regional level in a number of workstreams of joint work – procurement; asset management; strategic planning and infrastructure; waste management; and to a lesser degree HR, children’s services and adult social services.
- 3.7 In addition, the Council can and should continue to consider opportunities for joint working with SDC, other public, private and voluntary bodies where a business case can demonstrate that one or more of the following can be achieved: financial savings; service improvements; service resilience. Existing joint working should continue where it brings benefits.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 The Council could consider continuing to work on a programme basis with SDC. This has been discounted for reasons set out above.

5. **BUDGETARY FRAMEWORK**

- 5.1 No savings have been programmed to date, or been forecast to be achieved from joint work other than on revenues and benefits. The Shared Revenues and Benefits service was forecast to achieve £60k to £80k of savings. The Benefits and Revenues team have committed to trying to achieve this figure even if a Shared Service does not go ahead. The Fit for the Future forecast includes the forecast £60k to £80k saving. Otherwise there are no other financial impacts.
- 5.2 The savings targeted within the Fit for the Future Programme have not yet been fully included in budgets or the assumptions within the Medium Term Financial Strategy, when forecasting that the Council needs to achieve £2.86 million savings by 2015/16. However, some specific projects have been included within the financial projections, with a target of further savings to be achieved in 2011/12 of approaching £300k within the proposed Budget. This is described more fully within the Budget and Fit for the Future reports.

6. **POLICY FRAMEWORK**

- 6.1 The proposed recommendation has no impact on the Council’s policy framework.