

Title: Service Integration and Joint Accommodation Work between  
WDC/SDC

Lead Officer: Chris Elliott/David Buckland

Portfolio Holders: Councillor Hales/Cargill

Wards of the District directly affected: All

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## Summary

This report seeks consideration for the continuation of the process of service integration and of joint accommodation irrespective of the decision on a political merger by Councils or by the Government. It further seeks approval of the timetable for proposed service integration between the two Council over the period until March 2024.

## Recommendations to Council

- 1) That irrespective of the decision relating to the full political merger of Stratford-on-Avon District Council and Warwick District Council (expected in December 2021):
  - i) Work progresses on the full-service integration of teams across Stratford-on-Avon and Warwick District Councils; and
  - ii) Work progresses on the identification of sharing civic and office accommodation between Stratford-on-Avon District Council and Warwick District Council.

## Recommendation to Cabinet

- 2) Subject to Recommendation 1i being approved, that the timetable for service integration as set out in the report at Appendix 1, Table 1 be agreed.

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## 1 Background/Information

- 1.1 Attached at Appendix 1 is a report considered and agreed by the Joint Advisory Steering Group (JASG) at its July meeting. The report addresses the central fact that to progress joint work a decision to proceed needs to be made regarding the service integration process. This is independent of the decision to proceed to a political merger.
- 1.2 Likewise, a similar decision needs to be made in respect of the two Councils seeking joint accommodation. The report at Appendix 1 sets out the reasons for the recommendation. This is also independent of the decision to proceed to a political merger.

- 1.3 Appendix 2 contains a report considered by the JASG at its meeting in September and which sets out a programme at Table 1 for the proposed service integration process over the period to 2024. It is proposed that this timetable be agreed subject to Recommendation 1i being approved by Council. The report at Appendix 2 sets out the reasons for the recommendation.

## **2 Alternative Options available to the Cabinet and Council**

- 2.1 The Cabinet could decide not to agree Recommendation 1i and wait until after a decision is made in December on the proposition of a political merger or after the Government has decided if it agrees to a merger. However, the service integration process needs time to be done properly if it is to be done by March 2024 and delaying the start until a decision is made in December will reduce the amount of time available by 2 months and if there is a delay until the Government decides that means a delay of over a year. Service integration can in any case happen separately from the political merger and so is not tied to a decision on the political merger.
- 2.2 In addition, as Members will see from another report on this agenda, given that amongst the first services proposed for integration is the Legal Service, a delay would create a significant problem as notice has been served by WDC on WCC which currently provides that service. The notice period expires at the end of March 2022. Starting the service integration process in January 2022 is not sufficient time to meet the notice period and delaying until a Government decision would make the Legal Services proposal impossible.
- 2.3 The Cabinet could also decide to vary the proposed timetable for service integration. However, it is not possible to do everything at once and so choices would have to be made. The proposed approach reflects the deadline approaching Legal Services and the greater readiness of the two proposed services which will act as in effect "pilots" from which to learn for subsequent integrations.
- 2.4 The Cabinet could also decide to wait until a decision is made on the political merger before deciding on seeking joint office accommodation. However, the same issue arises here as for service integration. A delayed decision means a delayed start and as both Councils are actively seeking to secure alternative office accommodation and both wish to seek savings as a matter of urgency, a deferral would seem contrary to both Councils interests and priorities.

## **3 Consultation and Member's comments**

- 3.1 The report has been developed in consultation with senior members at both Councils and the proposals were considered by the Joint Arrangement Steering Group at its meeting on 9 September 2021 which were supported. Members of staff and Trades Union have been advised and their views sought, the outcome of that consultation will be reported to the respective Cabinets and Councils.

## **4 Implications of the proposal**

### **4.1 Legal/Human Rights Implications**

- 4.1.1 Under the jointly adopted Organisational Development Strategy the ultimate vision is to create a single workforce to support both authorities, and there are a few potential legal options available to deliver service team integration, including:

- Section 113 of the Local Government Act 1972, which allows a local authority to enter into an agreement with another authority to place its officers at the disposal of the other authority, subject to consultation with the staff concerned and negotiation about any changes in terms and conditions; and
- Section 1 of the Local Authorities (Goods and Services Act) 1970, which enables a local authority to enter into an agreement to provide another local authority with goods and services, including administrative, professional, or technical services.

## 4.2 **Financial**

- 4.2.1 Both Councils have factored anticipated savings into their respective Medium Term Financial Plans/Strategies from integrating services. Estimated savings were identified in the report by Deloitte that was considered by both Councils in February 2021. The report estimated that up to £3.8m savings per annum in total could be made across both authorities' revenue expenditure from service optimisation.
- 4.2.2 Any delay in integrating teams will delay the delivery of the estimated savings and have a further adverse impact on the financial profile of both Councils. It should be noted that the greatest level of savings will not be able to be made until both Councils are formally merged and have been operating as a single body; with all "legacy" work has been completed.

## 4.3 **Council Plan**

- 4.3.1 In respect of Warwick District Council's Business Plan this proposal will have the following relevance and impact as set out below.

### **External:**

- 4.3.2 People - Health, Homes, Communities – The proposal will enable the Council to be better able to deliver its agreed services and projects.
- 4.3.3 Services - Green, Clean, Safe - The proposal will enable the Council to be better able to deliver its agreed services and projects.
- 4.3.4 Money - Infrastructure, Enterprise, Employment - The proposal will enable the Council to be better able to deliver its agreed services and projects.

### **Internal:**

- 4.3.5 People - Effective Staff – the service integration will mean a bigger overall single workforce which will offer a wider range of development and training opportunities.
- 4.3.6 Services - Maintain or Improve Services – the Council will be better able to maintain or improve its services and will have greater resilience overall.
- 4.3.7 Money - Firm Financial Footing over the Longer Term – the Council will be able to make savings in the time and on the scale needed as set out in the agreed MTFS.

## 4.4 **Other Service Implications**

- 4.4.1 ICT is a fundamental support area for the proposed service integrations. Without an effective, converged ICT team and infrastructure to support the Council's aspirations, it will be virtually impossible to achieve the predicted benefits of the merger process.

- 4.4.2 The timing of the ICT Service integration is optimal. It ensures that the ICT team will be ready to support other services through their transformation journey, which would be significantly more difficult if ICT's merger were delayed. The timetable also avoids key periods of activity ICT as part of our normal business operations.
- 4.4.3 ICT are also supportive of the recommendation to make an early decision regarding future office accommodation. ICT infrastructure at both WDC and SDC requires significant future investment, and this process can be made far more effective if a direction for office accommodation is agreed.
- 4.4.4 It should be noted however that the service integration timetable reflected in Appendix 2 Table 1, does not reflect the amount of time it will take to fully integrate the technology solutions those services utilise. This will be subject to a further future review.

#### **4.5 Environmental/Climate Change Implications**

- 4.5.1 The most significant impact will be integrating the office accommodation needs of both Councils. This should deliver financial savings but importantly should also enable both Councils to reduce their carbon footprint.

#### **4.6 Health and Wellbeing**

- 4.6.1 Not relevant at this stage.

#### **4.7 Analysis of the effects on Equality**

- 4.7.1 Not relevant at this stage.

#### **4.8 Data Protection**

- 4.8.1 Not relevant at this stage.

### **5 Risk Assessment**

- 5.1 A full risk log is being established in line with the resolution from both Councils in February 2021. The risk log will need to address the issues that face services in tranche 2 in the interim period.
- 5.2 The main reason for this report relates to the risk that progress would be made in relation to the complex process of joining teams across the two Councils which is then reversed if the full political merger is not agreed. It is therefore vital that both authorities commit at this stage to full-service integration and sharing of accommodation into the longer term irrespective of this decision.

### **6 Conclusion/Reasons for the Recommendation**

- 6.1 The recommendations will enable the Councils to proceed with their progress on service and office integration and so deliver the savings needed to help to continue services.

#### **Background papers:**

Reports to JASG July and September 2021 (Attached)

#### **Supporting documents:**

None.

## Report Information Sheet

<b>Committee/Date</b>	Cabinet 23 September 2021	
<b>Item No/Title of report</b>	Service Integration and Joint Accommodation Work between WDC/SDC	
<b>Consultations undertaken</b>		
<b>Consultee</b>	✓	<b>Details / Date of consultation / comments received</b>
<b>Ward Members</b>		Not applicable
<b>Portfolio Holder WDC &amp; SDC *Required</b>		CLrs Hales and Cargill
<b>Financial Services * *Required</b>		Mike Snow
<b>Legal Services * *Required</b>		Phil Grafton
<b>Other Services</b>		All Heads of Services
<b>Chief Executive (s)</b>		Chris Elliott/David Buckland
<b>Head of Service</b>		All Heads of Services
<b>Section 151 Officer</b>		Mike Snow
<b>Monitoring Officer</b>		Phil Grafton
<b>CMT (WDC)</b>		Chris Elliott, Andy Jones, Tony Perks, Dave Barber
<b>Other organisations</b>		SDC – Chief Executive
<b>Final decision by this Committee or recommendation to another committee/Council?</b>		Final decision Recommendation to Council
<b>Contrary to Policy/Budget framework</b>		No
<b>Does this report contain exempt information/Confidential? If so, under which paragraph(s) ?</b>		No
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)</b>		No/Yes, Forward Plan item – scheduled for ..... (date)