Agenda Item No 5
Overview and Scrutiny Committee
8th March 2022

Title: Update on Joint Work of WDC and SDC

Lead Officer: Chris Elliott (01926 456000)
Portfolio Holder: Councillor Hales
Wards of the District directly affected: All

Summary

It was agreed at a previous meeting of the Overview and Scrutiny Committee and of the Finance and Audit Committee that a report would be brought to each meeting to set out the progress of the work being done to enable effective scrutiny of the proposals.

Recommendation

That the contents of the report and appendices are noted and any comments arising are presented to the Cabinets of both Councils and the Joint Advisory Steering Group (JASG).

1 Background/Information

1.1 This report re iterates the vision agreed by both Councils and the reasons for undertaking this approach; sets out work done to date; the next steps; the key benefits; and the key milestones and intended overall outcome. The changes from the last report are set out in italics.

1.2 Vision – both SDC and WDC at their respective Full Councils agreed the following vision:

To create a single statutory South Warwickshire District Council covering all of the activities currently carried out by Stratford-on-Avon District Council and Warwick District Council by 1st April 2024.

1.3 Reasons for undertaking this approach:

- Both Councils have significant financial pressures
- Both Councils wish to continue to provide valued services to residents/businesses/local communities
- The two Councils have a good track record of partnership
- There is a shared economic geography between the two Councils
- There is a shared sense of community between the two Councils' areas
- There is a very strong political relationship in place
- The two Councils are within the same County Council area

1.4 Work done to date (including ongoing work) includes:

- Deloitte Report commissioned and agreed by both setting out the high-level business case for the creation of a single South Warwickshire Council
- Vision stated above (paragraph 1.2) agreed by both Councils
- The Cabinet portfolios for both Councils are fully aligned
- Joint contract awarded for the Refuse and Recycling Service
- Agreed to develop jointly a South Warwickshire Local Plan
- Published the first stage of that Plan and issued a call for sites
- Agreed a joint Regulatory Services Enforcement Policy
- Agreed to develop a South Warwickshire Economic Strategy
- Agreed a shared set of ambitions regarding the Climate Emergency
- Joint Staff/HR policies agreed
- Agreed and have appointed a Transformation Programme Manager and Programme Support Officer
- Established a governance regime via the creation of an officer Programme Board (which meets weekly) and the Councillor led Joint Arrangements Steering Group (Reports and Notes of meeting available on the South Warwickshire Together Hub)
- Work on due diligence financially undertaken by LGA consultant and reported to JASG
- Regular meetings with Unison (both branches) on a fortnightly basis
- Communication Hub for all Staff and Councillors of both Councils established – South Warwickshire Together Hub
- Leaders and CEOs meet fortnightly
- Joint Management Team meets fortnightly (2 vacancies immediately saved)
- Discussions have started with the Government regarding the creation of a single South Warwickshire District Council
- Agreed paper for public consultation proposals
- Sharing experience and likewise gaining experience from joint work of other Councils including those who have merged and those who are also considering the same step
- Update presentations given to Councillors, members of staff and Service Managers
- Scrutiny Chairs of SDC/WDC have met
- Start of public consultation on proposal from 6th September to 24th October – 600 representatives of the community directly surveyed; open form available for all to make their comments; stakeholders notified and asked for comments; focus groups for residents; parish/town council; community/voluntary; business
- Consultation on proposal has taken place.
- CEOs have held a consultation session with over 50 Parish/Town Councils; and with business representatives of the Chamber of Commerce; almost 600 staff have attended CEO briefing sessions. All 3 MPs have been briefed.
- Programme of Service Integration and principle of sharing an HQ was subject to a separate report that has been agreed by both Cabinets.
- Business Case for Joint Legal Service integration was agreed by both Cabinets
- Report to Employment Committee re use of Section 113 Agreements for the Service Integration process

- Both Councils considered and agreed to make a formal application to merge the two organisations to create a single South Warwickshire Council – on Monday 13th December
- The application has been acknowledged by a Minister who will lead the work on the assessment.
- Officers have contacted the civil servants to seek follow up meetings and to ensure requests for information are responded to quickly
- Have brought together both Council's Homelessness/Housing Advice teams under the same line manager along with the Community Teams from both Councils. This post will also provide support for the health and well-being work at South Warwickshire Place Partnership Board
- Signed the Joint Waste contract which will start on 1st August
- Published the call for sites in response to the proposed new South Warwickshire Local Plan.
- *Jointly agreed the LGA Code of Conduct for Cllrs*
- *Agreed the establishment of a Joint Appointments Committee*
- *Published a report on the next stage of the Joint Local Plan*
- *Secured a collective agreement re the use of S113 agreements with the Trade Unions*
- Incorporating the advised costs of support for integration into each Council's budget proposals.

1.5 The work in train includes the following:

- The recruitment of the staffing of the new Joint Legal Services team is progressing well. This team will take over WDC's legal work from 1st April 2022.

- *The plans for the service integration of the Environmental and Operational Service teams are to be subject to staff consultation.*

- *Recruiting to the Joint Head of Financial Services and Head of Development Services positions*

- Officers are planning to bring together standardised approaches on risk management; health and safety reporting; debtor management information; and management of S106 and CIL.

- *Setting out the proposal where there will be a single call centre for transactional issues by phone, to be reviewed and implemented as each service integration occurs.*

- Commissioning a report on options for a shared HQ.

- *Seeking Member agreement to an Inter Authority Agreement.*

- *Working up governance proposals for the Shadow Authority and interim ones for both Councils to be considered in the next cycle of meetings for operation from May.*

- *Undertaking an updated due diligence exercise.*

- Planning to meet the CEO of WALC to start to discuss delegation/devolution arrangements.

- Preparing a South Warwickshire Economic Strategy.
- Preparing a resident's survey as a benchmark.
- *Preparing a critical path gant chart for the merger process which will be reported to at a subsequent meeting and an updated and regularised form for reporting on progress overall.*

1.6 The expected benefits include:

- Delivery of significant net savings as envisaged in the Medium-Term Financial Strategy
- Enhanced partnership working
- Increased presence, influence, and strategic voice
- Increased service resilience
- Improved customer experience – residents and business
- Strengthened workforce opportunities arising from a larger workforce.

1.7 The key milestones are:

- Agreement to the business case to be submitted to Government on 13th December 2021 **– achieved**
- Approval granted by the Secretary of State within a year of the submission date
- Shadow Council in existence from April 2023 – elections inc. those of Parish deferred for a year
- All services merged by March 2024 having started the process in November 2021 **- underway**
- New Council comes into life on 1st April 2024
- Elections to new Council in May 2024.

1.8 The overall outcome would be that a new South Warwickshire Council which has a sustainable financial foundation and so is able to deliver transformed, and relevant services for the residents, businesses, and communities of the area.

2 Alternative Options available

2.1 Strategic options were evaluated as part of the work done for the public consultation and can be seen at the Hub. Both Councils have made the decision to seek a merger and previous decisions have agreed plans for service integration and HQ accommodation.

3 Consultation and Member's comments

3.1 The purpose of this report is to advise Members of current progress and to enable them to make comments.

4 Implications of the proposal

4.1 Legal/Human Rights Implications

4.1.1 As so decided by Members, and if so then by the Government, the proposal will have very significant legal implications in that both SDC and WDC will cease to exist and a new legal identify will come into being.

4.2 Financial

4.2.1 This report itself does not impact on the budgetary framework or budget, but the subject matter of the report will have an impact as was documented in the

report considered in December and in the budget, proposals being considered in February.

4.3 **Council Plan**

4.3.1 **Fit for the Future (FFF)**

4.3.2 The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

4.3.3 The FFF Strategy has 3 strands, People, Services and Money, and each has an external and internal element to it, the details of which can be found on the Council's website. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

4.4 **FFF Strands**

External impacts of proposal(s)

People - Health, Homes, Communities - The report will have no direct impact for the community at this stage, but the overall programme will assist with the ability to continue to provide services.

Services - Green, Clean, Safe – As above.

Money- Infrastructure, Enterprise, Employment – As above.

Internal impacts of the proposal(s)

People - **Effective Staff** – The joint work will offer better protection to staff than the alternatives and by being part of a larger workforce it will offer more opportunities for training and progress.

Services - Maintain or Improve Services – The joint work is intended to better enable the two Councils to maintain or improve their services.

Money - Firm Financial Footing over the Longer Term – It is intended that the work does provide for a firm financial footing over the longer term.

Supporting Strategies & Changes to Existing Policies – The joint work will impact on the two Council's policies. Part of the Programme of work will be to bring the policies of the two Councils into line over the period to 2024 and in some cases beyond that.

4.5 **Environmental/Climate Change Implications**

4.5.1 The Councils have agreed joint ambitions on Climate Change and a shared climate change action programme (CCAP). The CCAP provides the basis for joint working to reduce carbon emissions and to enable our communities, economy, and environment to adapt to climate changes. This approach recognises that responses to climate change should not be constrained by administrative boundaries. Furthermore, a single entity will enable a deeper review of the Councils' building assets to be undertaken with the potential to achieve additional carbon reduction measures. Joint working has the potential

to reduce carbon emissions from our buildings by enabling shared use of assets and combined approaches to planning and procuring decarbonisation projects.

4.5.2 Work is currently being undertaken to complete a joint carbon baseline exercise to show comparable and joint carbon emissions data for WDC and SDC over the last three years. This data will enable priortisation to be more effective and will ensure progress on decarbonisation can be reported accurately on a regular basis.

4.6 **Analysis of the effects on Equality**

4.6.1 A high-level impact statement prepared in conjunction with public consultation can be seen on the consultation website and will also be published on the South Warwickshire Together Hub.

4.7 **Data Protection**

4.7.1 Not applicable.

4.8 **Health and Wellbeing**

4.8.1 The development of the South Warwickshire Place Partnership (Health) within the overall new structure for the sub region will greatly assist both Councils ability to help improve health and well-being for the area. As organisations the Councils are also seeking to integrate their approaches to health and safety reporting and response for staff. Both currently offer similar support packages to staff, and this will be integrated and standardised over time.

5 Risk Assessment

5.1 An updated risk register for the joint work is being developed and is attached as Appendix 1 for consideration and comment. This has not altered since it was last reported barley a month ago.

5.2 It is worth noting that some risks for Council partnerships elsewhere in the country have been realised. Just after the New Year a public announcement was made that in Hampshire two Councils – East Hampshire and Havant which had been in a partnership for 12 years were going separate ways. Currently they have a single management team and a single Chief Executive and had merged some but not all services and no political merger. A difference in strategic priorities is cited as the reason though behind this no doubt sits some other dynamics relating to style and approach. Some other partnerships have also broken up recently – Cherwell and Oxfordshire County Council; Gloucester City Council and Gloucester County Council; South Holland District Council, Breckland District Council, which has been replaced by a tripartite partnership of three South Lincolnshire District Councils.

5.3 Lack of political integration inevitably leaves a significant risk to the partnership of the two Councils.

6 Conclusion/Reasons for the Recommendation

6.1 This report sets out current position on the work being done jointly with SDC.

Report Information Sheet

Please complete and submit to Democratic Services with draft report

Committee/Date	Overview and Scrutiny/Finance and Audit Committee 8th/9th February 2022
Title of report	Update on Joint Work with SDC

Consultations undertaken		
Consultee *required	**Date**	**Details of consultation /comments received**
Ward Member(s)	-	
Portfolio Holder WDC & SDC *	28.02.22	Cllr Hales
Financial Services *	28.02.22	Mike Snow
Legal Services *	28.02.22	Phil Grafton
Other Services		
Chief Executive(s)	28.02.22	Chris Elliott
Head of Service(s)		
Section 151 Officer	28.02.22	Mike Snow
Monitoring Officer	28.02.22	Phil Grafton
CMT (WDC)	28.02.22	Chris Elliott, Andy Jones, Dave Barber, Tony Perks
Leadership Co-ordination Group (WDC)		
Other organisations	28.02.22	Tim Oruye - Programme Manager David Buckland SDC

Final decision by this Committee or rec to another Ctte/Council?		Recommendation to Overview and Scrutiny Committee/ Finance and Audit Committee
Contrary to Policy/Budget framework		No
Does this report contain exempt info/Confidential? If so, which paragraph(s)?		No
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?		No
Accessibility Checked?		File/Info/Inspect Document/Check Accessibility