

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Resources Policy Development and Scrutiny Panel	
MEETING/ DECISION DATE:	21 July 2014	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Approach to shared services and Co-operation agreement with North Somerset Council	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Draft co-operation agreement Appendix 2 – Programme update Position		

1 THE ISSUE

- 1.1 This paper sets out a high level approach to joint working with other organisations and then sets out joint working that is taking place with North Somerset Council and the Co-operation agreement agreed by Cabinet to steer and enable the two Councils to work positively together to identify further opportunities to work together

2 RECOMMENDATION

- 2.1 That the panel considers the overall approach to shared services agreed by Cabinet and the opportunities this brings in meeting our current and future challenges.
- 2.2 Considers the Co-operation agreement and progress report on the work with North Somerset Council and comment and feedback.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 There are some costs of developing joint working, some limited programme management is needed to ensure that the organisations are appropriately prioritising opportunities and ensuring proper process are followed. Additionally there will be the need for specialist advice on some of the potential activities concerning procurement of any shared services or systems and the respective responsibilities of the two Councils in the arrangements. At this stage the two Councils have proposed earmarking £100k each from their respective reserves to enable this work to be pursued.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 Under section 2 of the Local Government Act 2000 the Council has the power to do anything which they consider is likely to achieve the promotion or improvement of the economic, social or environmental well-being of the area. There are additional powers to work together in the Local Government Act 1972 and the Localism Act 2011
- 4.2 The arrangement is not a contract nor in itself a procurement of service. It does however provide a framework under which a number of activities can be pursued. These projects would still need to be appropriately signed off under the respective organisations constitutions.

5 THE REPORT

- 5.1 The term Shared Services has been used to cover a spectrum of working arrangements from sharing information and intelligence, through joint procurement of services or systems to one service delivering for more than one organisation.
- 5.2 Bath & North East Somerset has a tradition of joint working with others including work with the Primary Care Trust and now the Clinical Commissioning Group. The One Stop Shops accommodate a wide range of voluntary sector public sector partners, and the range of partners is increasing to include the police. The new office accommodation arrangements for the Council will include workstations and facilities for Fire, Police, Sirona and many others. Services like Pensions are already joint being run by this Council for the whole of the West of England.
- 5.3 Local authorities have under successive governments been encouraged to work together and at various points initiatives been developed to drive this further from Local Government Reviews and boundary changes to programmes like Total place and Community Budgets.

With the scale of change faced by Local Government, collaboration and sharing services has emerged as an area where we need to look actively at the range of opportunities that might exist. In B&NES this approach already happens at essentially three levels

- Removing silos and creating one set of joined up services across the Council to avoid duplication, e.g. Council Connect, ICT centralisation, Corporate Landlord role, Think Local procurement – a One Council approach

- Sharing and collaborating locally within B&NES with key partners and communities, e.g. CCG, advice agencies, DWP, One stop shop
- Sharing and collaborating across boundaries with other LAs. e.g. North Somerset on Audit and Building Control.

Our proposed approach is that we consider (1) further opportunities to join up internally, (2) to work better with our local partners in B&NES as well as (3) with other Councils.

- 5.4 Any sharing of services will involve a clear understanding of risks and benefits, clarity around governance and leadership and for respective partners to have a thorough understanding of each other. Any contractual arrangements would require appropriate “Due Diligence” to have been carried out.
- 5.5 Members and officers have been informally exploring opportunities with a range of Councils. The most substantial progress to date has been with North Somerset and the following sets out a proposed approach to enable collaboration, sharing of systems and possibly services to develop further similar arrangements with other Councils are possible in the future where there are shared objectives and opportunities.
- 5.6 The Council is part of the Public Service Transformation Network which is facilitated by Government to bring together leading Councils and their partners to work together to deliver services better and more efficiently through collaboration and sharing.

6 CO-OPERATION WITH NORTH SOMERSET

- 6.1 The respective leaders of the B&NES and North Somerset have agreed to look proactively at opportunities for the two Councils to work together on strategic opportunities and shared services. This relationship has been developing over a period of time in a number of ways:
- The two Councils have met to look at opportunities for joint procurement to get better value and maximise greater purchasing power and share skills, but only where this does not contradict or lessen the impact of the the Think Local procurement strategy
 - B&NES is currently evaluating an offer from N Somerset to share the HR/payroll systems and services.
 - Collaborative work around Regulatory and trading Services to improve service resilience and look at shared processes and procedures.
 - A range of joint working has developed that we now need to take a view of, such as collaboration around aspects of Children’s Services.
 - Joint working arrangements – such as the B&NES Head of Audit leading the delivery of the Internal Audit function for both councils and the manager of North Somerset’s Land Charges Team now managing the B&NES operation.

6.2 The key purpose of this agreement is to set out how the parties will cooperate in order to:

- Assist both councils to deliver our respective priorities and ambitions for local communities as set out in our corporate plans
- Assist both councils to build our community leadership roles and profiles, in order to secure and protect resources for our communities
- Maintain or improve outcomes for our communities, with fewer resources
- Build resilience across our organisations and our communities in order to protect and enhance services wherever possible
- Share skills and opportunities, enabling us to be more innovative, entrepreneurial and opportunistic.

7 The current programme of work with North Somerset is attached as Appendix 2. The status of the projects listed vary significantly, in terms of scale and status. Some will offer financial savings and others assist us in the resilience of small but important services within the two Councils. Progress against the shared services programme will be reviewed quarterly through a joint meeting of the Councils Senior Management teams.

7 RATIONALE

7.1 This approach forms one of a number of approaches the Council can take to meeting the existing and future demands facing it. It is an enabling arrangement and while assisting us to focus our joint efforts does not preclude either organisation from pursuing other approaches to the challenges it faces.

8 OTHER OPTIONS CONSIDERED

8.1 The proposals in this report are enabling and other options remain open and are able to be considered.

9 CONSULTATION

9.1 The Chief Executive met the Trade Unions on 29th May

10 RISK MANAGEMENT

10.1A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	<i>David Trethewey Divisional Director Strategy and Performance</i>
Background papers	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i>
Please contact the report author if you need to access this report in an alternative format	