

Cherwell District Council

Executive

4 June 2018

<p>Urgent Business - Joint Working Arrangements between Cherwell District Council and Oxfordshire County Council</p>

Report of Director of Customers and Service Development and Assistant Director: Law and Governance

This report is public

Purpose of report

To agree in principle, subject to agreement by Council, to give South Northamptonshire Council notice of the intention to end the Section 113 agreement. Furthermore, and subject to agreement by Council, to develop joint working arrangements with Oxfordshire County Council and to the establishment of a joint Chief Executive post.

1.0 Recommendations

The meeting is recommended:

- 1.1 To agree in principle, subject to agreement by Council to give South Northamptonshire Council notice of the intention to end the Section 113 agreement.
- 1.2 To agree in principle, subject to agreement by Council to develop joint working arrangements with Oxfordshire County Council and the establishment of a joint Chief Executive post.
- 1.3 Subject to agreement by Council, to delegate to the Assistant Director Law and Governance, in consultation with the Leader, the finalisation of a s113 Agreement including joint committees to allow for implementation as business cases are agreed for each element of joint working (see appendix 1 for draft version).
- 1.4 To agree to the establishment of an informal Partnership Working Group to oversee the development of joint working.

2.0 Introduction

- 2.1 Earlier today the Cabinet of Oxfordshire County Council agreed to formally approach Cherwell District Council to develop joint working arrangements and to the establishment of a joint Chief Executive post. The formal approach was received immediately prior to this meeting and due to the need to respond to the County Council the Chairman and proper officer have agreed that this should be considered as urgent business.
- 2.2 Local Government reorganisation in Northamptonshire has required Cherwell (CDC) to reflect upon its future and consider what is best for its residents. As a result and with great reluctance and sadness the Leader is minded to formally end the successful partnership with South Northamptonshire Council (SNC). While the functions of SNC are expected to be absorbed into a new unitary council, CDC will need to develop a new operating model that provides a stable platform for the continued improvement of services to residents. If CDC does not separate from SNC its services will be joined with the new unitary as the shadow authority is developed.
- 2.3 The partnership between Cherwell District Council and South Northamptonshire Council has been in place since 2011 and has been extremely successful. Nearly all services are delivered jointly and annual savings of around £3.5 million have been shared between CDC and SNC. The likely absorption of SNC services in a new unitary council in Northamptonshire requires Cherwell to ensure it secures arrangements for the continued delivery of services and the council must also take steps to address the inevitable financial gap that will emerge when CDC and SNC cease joint working. It is estimated that this gap could be in the order of £2m.
- 2.4 Informal discussions with Oxfordshire County Council had already taken place on shared priorities for the locality. These include the potential sharing of accommodation and joint posts, with the aim being to put residents at the heart of delivery and to achieve improved services for communities through a closer working partnership.
- 2.5 This reports sets out a proposal for formalising shared service activity and for a programme to incrementally develop joint working arrangements. It recommends that the Executive approves the principle of joint working and the sharing of a joint Chief Executive with Oxfordshire County Council.
- 2.6 The Executive is also asked to review and approve a set of guiding principles for joint working and to delegate to the Assistant Director Law and Governance, in consultation with the Leader, the finalisation of a s113 Agreement, to allow for the establishment of formal joint committees as agreed by both councils and for implementation, as business cases are agreed, for each element of joint working.
- 2.7 Finally the Executive is asked to agree to the establishment of an informal member-led Partnership Working Group. This working group would oversee the incremental development of business cases for joint working.
- 2.8 The governance proposals set out above and opportunities for joint working identified within this report would enable Cherwell District Council to establish a programme of work that has the potential to deliver efficiencies, savings and joined

up local services through an equitable partnership. The governance approach proposed is commonly used to manage shared services between two or more partners; it sets how decision making will take place and how any shared service arrangements will be delivered. It also sets out a process by which the partnership can be dissolved at pace if either authority no longer wishes to continue.

- 2.9 The proposed joint working partnership is not connected to, and would not deliver, unitary reorganisation proposals. It would offer an innovative opportunity to make two tier local government more effective.

3.0 Report Details

- 3.1 As Northamptonshire moves forward with fundamental changes to the local government landscape, the impact on Oxfordshire's authorities at both a county and district level will be significant.

- 3.2 Not only will local government across much of the county border be changing - with potential for Buckinghamshire to become unitary also - but the joint arrangements between Cherwell and South Northamptonshire will undergo fundamental review as Northamptonshire potentially adopts a two unitary structure, as seems highly likely.

- 3.3 The challenge of responding to these changes comes at a time where there are also significant opportunities to do things differently:

- Councils across Oxfordshire are working to deliver an ambitious Housing and Growth Deal agreed with government.
- Cherwell has a strong track record of looking beyond its borders for innovative ways of working, and has an overall ambition – for economic prosperity and thriving communities – a vision for place shaping which is shared by Oxfordshire County Council. There is also shared recognition of some key challenges, in particular around financial efficiency and demographic change.

- 3.4 Both councils have already established the potential for alignment and integration of services. These could include potential integration of support services, as well as better alignment of functionality between key service delivery areas such as, health, housing, and care, in community safety and regulation, in planning for housing, business, and transport needs. This partnership arrangement would provide residents with a joined-up view of local government with which local communities can engage.

- 3.5 In this context, exploring the opportunities for shared staffing arrangements and/or joint service delivery between Cherwell District Council and the County Council is a logical and prudent next step to secure ongoing service delivery and financial sustainability.

- 3.6 Such an approach has the potential to:

- Improve outcomes for residents

- Progress joint objectives and priorities more effectively, particularly around place shaping
- Support and maintain the delivery of efficiencies and the financial sustainability of local public services at both partner councils
- Provide an opportunity to support effective two tier working

3.7 To maximise the chances of success of a joint working programme, and to develop an organisational model that adds value, as well as efficiently serving the different needs of two councils, initial areas to explore will include:

- Shared purpose and priorities and organisational and political cultures
- Joint objectives and opportunities for improving services and outcomes
- The financial case
- Aligning management arrangements
- Expectations of governance

3.8 These issues are explored at a high level in the proposed shared principles of joint working and the delivery proposal set out below.

Proposed Shared Principles of Joint Working

3.9 The following proposed principles for joint working have been developed in conjunction with Oxfordshire County Council. If agreed they will set the framework by which future options will be developed:

- i. That both councils will retain their own governance and constitutional structures
- ii. That there will be no restriction on each authorities' ability to determine how it exercises its functions nor how each formulates and spends its budgets
- iii. That both councils will be able to demonstrate savings or a neutral position through the joint arrangements
- iv. That both councils will be able to demonstrate improved services and outcomes through the joint arrangements
- v. That an incremental approach will be taken to manage risk, reduce costs and minimise the impact of transition on service delivery
- vi. That both councils will commit to working towards sharing formulation of policy, alignment of procedures and sharing of teams (subject to the approval by each council) where doing so is in the interests of residents and represents value for money
- vii. That local physical presence will be maintained and improved
- viii. That councillors from both councils will be fully involved in the development of the joint working arrangements
- ix. That both councils will work together to understand their organisational and political cultures and to assess risks and opportunities for joint working that result from these

Programme Objectives

3.10 The following shared objectives are proposed for a joint working programme:

- To develop joint working in areas where it makes sense to deliver services through integrated and/or aligned teams
- To improve (or maintain) the financial position of both councils
- To establish an effective joint management structure
- To establish shared support services, serving the needs of both councils to the standards agreed by each
- To maximise the opportunities for joint initiatives and joint working with partners in ways that better meet the needs of residents

3.11 To monitor delivery of objectives, the business cases should identify key benefits and associated success criteria, benefits should be tracked and reported upon.

The Strategic Case for Joint Working

3.12 Cherwell District Council and Oxfordshire County Council share high level priorities as might be expected as both organisations strive to put residents at the heart of service delivery. For example, each council’s current published headline priorities are well aligned:

Cherwell District Council*	Oxfordshire County Council**
A district of opportunity and growth	Thriving people Thriving economy
Thriving Communities and Wellbeing Protected, green and clean	Thriving communities
‘Here to serve’ – operational excellence, public value and the best council to work for.	We listen to residents so that we can continue to improve our services and provide value for money. [Thriving Communities pre-amble.]

**Cherwell District Council and South Northamptonshire District Council Joint Business Plan 2018-19*

***Oxfordshire County Council ‘Thriving Communities’ vision 2017*

3.13 Specific shared organisational development objectives include:

- Commitment to but developing a joint approach to place-making and place-leadership;
- Ensuring councils have the capacity, skills and leadership to deliver the Housing and Growth Deal;
- Ensuring that councils have the right structures and focus to ensure that the benefits of growth are available to all – for example through regeneration, skills development, education and activity to combat health inequality and social isolation;
- A focus on partnership working, including developing relationships with the community and voluntary sector and health and social care integration;

- Developing approach to community engagement and supporting community resilience.

3.14 There are considerable cross-overs of objectives and service areas between the two tiers of governance in Oxfordshire. Working jointly offers an opportunity align functions and collaborate whilst retaining separate policy and political accountability. Potential areas of joint endeavour include – but are not limited to:

County Service	District Service
Adult social care	Housing
Public health	The prevention agenda, wellbeing and leisure services
Waste disposal	Waste collection
Infrastructure planning	Local strategic planning
Development control	Highways development management
Highways maintenance	Street cleaning
Economic development	Economic development functions
Trading standards	Environmental health and regulatory services

- 3.15 A shared officer relationship to external partners – such as government, the NHS, Police, the community and voluntary sector, major public institutions and private sector organisations and town and parish councils - could better facilitate coherent and co-ordinated delivery of objectives.
- 3.16 Most importantly, joint working offers the platform for a single point of access for individuals and local communities with understanding of different policy and responsibilities being the business of the professional council staff, rather than expecting the public to navigate the complexities of two tier working
- 3.17 The two councils also have broadly aligned business models, with both having a variety of delivery arrangements including partnerships, contracts, and direct service delivery.
- 3.18 Such approaches indicate that both councils share a ‘what works’ approach to delivering outcomes, with service business models considered on a case by case basis. Such a flexible shared approach is well suited to developing a mixed portfolio of shared and independent services under a joint management structure.
- 3.19 Finally, while the two councils are separate institutions with separate statutory and financial obligations, those served by CDC are also residents of Oxfordshire. OCC delivers essential services to residents and in many cases; a reduction in the quality or capacity of service delivery would directly impact on the ability of CDC to deliver its own outcomes. This is particularly true in joint committed activity such as the Oxfordshire Housing and Growth Deal where the full participation of all partners is a pre-requisite of success. As such, CDC has an obligation to consider the best outcome of the current situation not just for CDC itself, but for local residents.

Options and alternative approaches

3.20 Various options for joint working have been considered. The table at paragraph 6 sets out a series criteria that have been used to consider the viability and

sustainability of the various options available. The table overleaf summaries these options:

Option	Summary of Analysis
<p>A CDC to standalone CDC to standalone as a separate organisation following separation from SNC.</p>	<p>CDC as a standalone authority would need to address the budgetary implications of loss of joint working savings that have been delivered in partnership with SNC. This could include increasing sources of income or reducing the cost of service. This may impact upon the quality of service delivery or the strategic capacity of the senior team and wider organisational capacity to deliver the ambitious agenda CDC has set out.</p>
<p>B CDC partnership with OCC A partnership with OCC to incrementally explore opportunities for joint working to be developed on a case by case basis.</p>	<p>Of all potential joint working arrangements (including the no partnership scenario) reviewed in the options analysis, a partnership with Oxfordshire County Council provides the greatest balance of the need for financial sustainability, philosophical alignment, the requirement for CDC to maintain control and its identity plus political independence. The ability to define and shape a new partnership on an incremental basis provides the best long term option.</p> <p>A partnership with OCC allows CDC to control the pace of change and the extent to which services are shared and does not restrict CDC choices with regard to developing delivery arrangements with other partner councils should those opportunities arise.</p> <p>Following this review of the options a partnership with OCC meets the criteria set out in paragraph 6 of this report.</p>
<p>C CDC develop a strategic joint working partnership with another district CDC to explore joint working with other districts, either within Oxfordshire or outside of county.</p>	<p>Local opportunities to deliver the type of long term strategic partnership that CDC has enjoyed with SNC are limited; the partnership has delivered joint management and shared services in all areas and annual savings in the region of £3.5m.</p> <p>Out of county options may not be strategically sustainable in the longer term due to the wider unitary agenda (e.g. in Buckinghamshire any potential partnership working could be affected by unitary proposals).</p> <p>The already established joint working arrangements within the Oxfordshire districts mean that CDC would not be shaping a partnership, but joining an established arrangement on predefined terms.</p> <p>The table presented under paragraph 6 of this report sets out a series of criteria by which options for strategic partnerships have been considered, these include culture, political ambitions, demography and ability to sustain a successful long term relationship. Considering these criteria it is clear that the potential to recreate the type of joint working relationship CDC has had with SNC with nearby districts is unlikely to be deliverable.</p> <p>It should be noted that discounting option C does not discount specific shared service arrangements with other DCs, (i.e. the joint fraud service with Oxford City Council that has recently been agreed could be maintained).</p>

Recommended approach

3.21 **Option B** is recommended as the preferred approach for the following reasons:

- A programme based on incremental development of options enables the organisations to take advantage of opportunities for joint working as and when they emerge (quick wins) as well as a planned programme of change.
- Establishing the principles of joint working and effective governance arrangements to oversee the development of business cases enables CDC to set the pace of change and protect frontline service delivery.
- Whilst incremental development of options will necessitate a long term change programme it enables solid partnership relations and governance structures to be developed alongside opportunities for joint working. A measured pace of change requires less resource to deliver and has lower risks in terms of managing business continuity.
- The option best fits both councils approach to service delivery, i.e. a mixed economy model encompassing of contracts, partnerships and alternative delivery options such as council owned companies and joint working.
- There is a shared strategic opportunity to enhance the pace and quality of delivery within the Cherwell District that wouldn't necessarily be realised through a partnership with a neighbouring organisation without shared geography or the same customers/residents.
- Joint management arrangements have the potential to deliver savings/cost avoidance for CDC. Furthermore these proposals would establish clear and stable senior leadership and medium term business model as CDC leaves its joint working partnership with SNC.

3.22 **Option A** is only a feasible option if CDC is able to make savings through other means than joint working in order to deliver a balanced budget and stable medium term financial strategy. It would necessitate difficult decisions regarding budgets, including the consideration of service reduction, outsourcing or increased sources of income generation potentially including fees and charges as well as commercial projects. Furthermore this option offers none of the benefits or leverage that a strategic partnership can bring. This combination of potential financial impact and lack of additional benefit has resulted in this option being discounted.

3.23 **Option C:** As part of the options appraisal for Cherwell consideration has been given to recreating the type of district partnership CDC has enjoyed with SNC. However, it is clear that options with regards to this are limited. Working across county boundaries is not considered strategically advantageous within the current national policy context of local government reorganisation. Indeed, the advanced options being discussed within Buckinghamshire and Northamptonshire mean that potential partners are limited. Within Oxfordshire joint working arrangements are already advanced between South and Vale districts and West Oxfordshire and its partnership with districts to the west. It would be fairly challenging for CDC to join these established partnerships, and retain its own sense of identity, priority and ability to shape the direction of the partnership. However, relevant opportunities will continue to be explored with Oxfordshire district (and other) partners as they emerge.

3.24 The council's ethos and approach to joint working is clear, all partnerships that fit with our culture will be considered and the council does not operate a one size fits

all policy. Where partnerships address a customer need they will be considered. A partnership with the county council, as set out in option B, does not prevent partnership working with others.

The financial case

3.25 Financial benefits of joint working may include:

- Reduction in salary and associated costs through shared management posts
- Reduction in salary and associated costs through joint teams
- Operational savings through integrated working, economies of scale
- Revenue savings (and potential capital receipts) through shared accommodation and other facilities
- Commercial savings through joint procurements and commercial activity

3.26 The costs of implementation may include:

- Realignment of staffing posts
- Contract/lease termination expenses
- Systems/software/technology costs
- Training and development
- Advisory (HR, Legal etc.)

3.27 Detailed financial implications will need to be assessed through the development of business cases for various shared service opportunities with the county council. In general terms business cases between CDC and SNC delivered savings in both reduction of staffing costs and the delivery of efficiencies and economies of scale. A prudent assumption could be savings of around 5% for staffing costs and 2% for efficiencies (and this was the baseline for all CDC/SNC shared service business cases). This assumption does not take into account additional savings around activities such as joint procurement. Early impact analysis undertaken to consider the effect of separating CDC from SNC suggests a budget gap of around £2m if no shared service arrangements are in place for CDC and CDC wish to continue to deliver services at the current level. It should be noted that this is an estimated figure and will be subject to change as the separation between CDC and SNC is worked through.

Establishing joint management arrangements

3.28 An element of sharing of management posts between authorities is a common arrangement, particularly between district councils – (i.e. the CDC/SNC model) – but also between district and county councils in two tier areas – for example the Chief Executive at Gloucester City Council is also a Corporate Director at the County Council. Similarly, the Chief Executives of Suffolk and Essex County Councils have recently also acted as Chief Executives for one of more district councils in the recent past Surrey County Council has also utilised similar arrangements. Establishing a joint Chief Executive is a common first step towards developing more extensive joint arrangements and gives the leadership capacity to take forward change in the interests of both councils.

- 3.29 An incremental approach is proposed to development joint management arrangements, with the potential to bring together senior management as a team and the opportunity to share some senior officers as joint services are developed over time. Specific business cases with financial impacts will be developed for each and any proposal.
- 3.30 To effectively manage the separation process from SNC, there is a need for the Council to move swiftly to new management and operating arrangements. An exit plan will be developed in the short term to set out this process.
- 3.31 As a pragmatic response to the situation in Northamptonshire and noting the successful experience elsewhere of sharing a Chief Executive as the first step towards joint working, this report proposes that the Chief Executive posts of Cherwell District Council and Oxfordshire County Council are combined and that a shared Chief Executive is appointed. The shared Chief Executive will be separately accountable as Head of Paid Service to the two councils and will be responsible for bringing forward further proposals and business cases in-line with this report.

Property and Accommodation

- 3.32 Initial discussions have been held with Oxfordshire County Council on the opportunities for rationalising property and accommodation in the north of the county, including co-location. The County Council's outline accommodation strategy of developing north, south and central hubs, lends itself to a substantial presence in Cherwell. This need not necessarily be within existing property or be focussed on the services currently accommodated in Banbury and so could align well with a significant shift towards shared services. Developing an approach to shared accommodation could generate significant capital receipts, make revenue savings and signal change in both organisations.

Implementation

- 3.33 The timetable for the potential cessation of joint arrangements with South Northamptonshire has been defined by government through the Secretary of State issuing an invitation to all the principal councils in Northamptonshire to submit proposals for unitary government for the area. The submission has to be returned by the end of August 2018.
- 3.34 This challenging deadline requires Cherwell to decide its future direction in a short time frame. Clarity regarding the cessation of the joint working arrangements between CDC and SNC is required before the shadow unitary authority comes into being. This will ensure CDC has certainty with regards to how its services will be delivered (and by which staff). As such decisions around future delivery models are needed to inform how CDC services are designed post separation.
- 3.35 Option B, as described in paragraphs 3.20 and 3.21, proposes that an incremental approach can facilitate both independence of function and sovereignty of the two partners, as necessary, but with an ambition for shared services and shared approaches delivered on a case by case basis. Early opportunities for joint service teams, as suggested above, could then be developed and reporting lines agreed as

appropriate. Where gaps in services are created through the cessation of the existing partnership between CDC and SNC, opportunities exist for alternatives to re-creating services. – for example through maintaining existing commercial and partnership arrangements or entering new arrangements with neighbouring councils and their service provider arms.

- 3.36 Through the development of a joint strategy for change and action plan, both councils will need to give consideration to the capacity required to deliver joint arrangements, including decision making capacity and the capacity required for service redesign and change. In some cases additional resources for change will be required, sourced either internally or through interim or external support arrangements.
- 3.37 It will be essential that the development of joint working arrangements are undertaken in the context of other organisational change programmes such as the development of independent company structures and the delivery of major place shaping projects. This will both ensure that the objectives of each council continue to be delivered and that the capacity of existing change programmes supports the delivery of joint arrangements.

Governance Arrangements

- 3.38 In shared service and staffing arrangements, each council retains its sovereignty. This includes its own governance and constitutional structures and there may be no restriction on each authorities' ability to determine how it exercises its functions nor how each formulates and spends its budget. There are opportunities for shared formulation of policy and alignment of procedures but in each case, these are subject to approval by each council.
- 3.39 For the oversight of development of shared activity, it is proposed to establish a member-led Partnership Working Group to consider joint arrangement proposals and to make recommendations to the separate councils for decision making.
- 3.40 To retain the independent decision making of each council, it is not intended that this group should be a formal joint committee within the meaning of the relevant Local Government Acts, unless and until it is resolved otherwise by both councils.
- 3.41 It is intended that formal joint committee arrangements within the meaning of the relevant Local Government Acts will be established to facilitate joint working, including taking decision on designated Human Resource matters. Proposals will be developed by the Partnership Working Group for agreement by each council
- 3.42 In all circumstances, the decisions reserved to Full Council by statute would remain separate decisions of each council.
- 3.43 The decisions to enter into joint arrangements, and the subsequent performance of these arrangements, will be subject to the separate Overview and Scrutiny Arrangements of each council. The separate councils and their committees may choose to undertake the scrutiny of some functions jointly, where this is appropriate. However, the separate arrangements will retain their independence and powers and

the decision to act jointly will be for each council separately, under existing decision-making arrangements.

Other Issues

- 3.44 This initiative would demonstrate a new approach to county and district partnerships and would consolidate the positive approach both Oxfordshire County Council and Cherwell District Council have already taken in terms of delivering growth. This model has the potential to establish mature and equitable two-tier partner relations, directly supporting delivery of the national agenda and seeking to reset the sometimes challenging two-tier dynamic.
- 3.45 Both CDC and OCC are actively engaged with ongoing organisational development conversations with other councils within the county. These proposals do not preclude CDC working with other districts on relevant shared service proposals as and when they are considered appropriate. The recent decision for CDC and SNC to work with Oxford City Council to deliver a fraud service is an example of this.

4.0 Conclusion and Reasons for Recommendations

- 4.1 In conclusion and following a review of the strategic case, potential financial and operational benefits; this report recommends Cherwell District Council enters into a joint working partnership with Oxfordshire County Council. This follows the necessary decision to separate from SNC as the moves to establish new unitary arrangements for Northamptonshire will inevitably unpick the joint service delivery arrangements between CDC and SNC.
- 4.2 The report sets out the strategic case, draft principles for joint working, potential financial advantages as well as identifying opportunities for innovative practice in terms of two tier working.
- 4.3 The report clearly recommends an incremental approach; with the establishment of a joint Chief Executive as a first step and then the consideration of further opportunities on a business case by business case approach. The report notes that the models for joint / shared chief executives are an established delivery model for both county and district roles.
- 4.4 The model proposed has been adopted in other counties and CDC has experience of a successful joint working partnership with SNC. With the use of formal joint committees and informal member working groups covered by a section 113 agreement the sovereignty of both councils is maintained. Indeed the draft section 113 agreement will set out a clear path for exit at pace if either partner wishes.
- 4.5 Cherwell District Council will need to review its medium term financial strategy in the light of the necessary separation from South Northamptonshire Council. If CDC wished to stand alone it would need to deliver significant savings, increase income and/or reduce services to deliver a balanced budget. A joint working partnership offers long term financial benefits and the potential to protect and enhance frontline services valued by local residents and customers.

5.0 Consultation

Business cases for joint working will be subject to the usual employee and stakeholder consultation as and when they are developed.

6.0 Alternative Options and Reasons for Rejection

6.1 Alternative options have been considered, the factors set out in the table below were reviewed as part of the development of this proposal. Options (including Oxfordshire Districts and out of county partners) were considered and discounted either because they failed to meet the criteria set out below or because the risk of out of county working at the current time was considered too high.

Criteria of consideration	Description
Contribution to CDC Continuity	Ability to sustain the distinct identity of CDC.
Contribute to Financial Sustainability	Ability to achieve the financial savings which would be have been delivered through the partnership with SNC.
Alignment of business model	Alignment of business model will impact the strategic fit for CDC, the influence over the delivery of services and the minimisation of transition costs.
Culture Match	A culture of innovation exists within CDC which should be maintained by partnership.
Political Alignment	Ongoing alignment of strategic direction would be influenced by a degree of political harmonisation.
Demographic Match	To ensure strategic direction best meets the needs of citizens a demographic match would be desired.
Geographic Match	To accommodate staff travel close proximity is desired and a similar geographical landscape to CDC is preferred to ensure shared strategic objectives, e.g. aligned customer needs.
Flexibility	Ability to exit the operating model rapidly, explore alternative delivery models outside of the strategic partnership and implement at varying levels of intensity.
Growth Agenda	CDC has a strong economic growth agenda and any partnership should align in aspiration.
Control of Pace	Ability to maintain control over the pace of intensity of the partnership.
Leverage	Ability to influence wider local government strategic direction, support for enhanced two tier working.

7.0 Implications

Financial and Resource Implications

7.1 There are no direct financial implications arising from establishing the principle of joint working through the conclusion of a Section 113 agreement. Financial implications for individual elements of joint working will be included within detailed business cases. This will include the costs and financial benefits of establishing joint management posts which will need to adhere to the principles described including achieving a cost neutral or better position for the both councils.

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Legal Implications

- 7.2 The arrangements for Shared Services and Management can take a number of forms. s101 and s102 of the Local Government Act 1972 permit local authorities to either delegate functions to other local authorities or to establish joint committees for respective functions to be discharged.

A common option is to use the provisions of s113 of the Local Government Act 1972 which permits one local authority to place an officer at the disposal of another for the purposes of discharging functions. S113 agreements are in place as the basis of the current arrangements between Cherwell and South Northamptonshire District Councils and South Oxfordshire and Vale of White Horse District Councils.

Shared officers fulfilling statutory roles (including Head of Paid Service, s151 and Monitoring Officer) is common. This can happen through a joint appointment, secondment or other similar arrangement.

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended state that: "The making of agreements with other local authorities for the placing of staff at the disposal of those other authorities" falls under the category of Schedule 2 to the Functions Regulations" i.e. "functions which may be (but need not be) the responsibility of an authority's executive". As reflected in the constitution, the decision on agreeing a s113 agreement therefore sits with Council.

It is proposed to incorporate a termination provision in such an agreement. This should allow for the agreed or unilateral termination of shared service arrangements with a six months' notice period and that in circumstances of sudden significant strategic change, immediate measures could be taken to resolve conflicts of interests within shared management arrangements.

Comments checked by:

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Risk Implications

- 7.3 There are no immediate risks arising from this paper. All joint working proposals will be subject to specific business cases (which will include detailed risk assessments) and further democratic decision making processes. Any joint working agreement can be ended as per the draft s113 agreement. It should be noted that if the separation from SNC progresses without developing a new business model CDC will likely face greater budget gaps in the short to medium term and failure to address these presents a risk to frontline service delivery and the ability of the council to maintain its financial sustainability.

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8.0 Decision Information

Key Decision

Financial Threshold Met: Yes

Community Impact Threshold Met: Yes

Wards Affected

N/A

Links to Corporate Plan and Policy Framework

All

Lead Councillor

Councillor Barry Wood, Leader of the Council

Document Information

Appendix No	Title
1	Draft S113 Agreement
Background Papers	
None	
Report Author	James Doble, Assistant Director Law and Governance and Claire Taylor, Director Customers and Service Development
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