

BRECKLAND DISTRICT COUNCIL

Report of: Nathan Elvery, Head of Paid Service & Strategic Advisor

To: Full Council – 25 February 2021

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Subject Integrated Shared Management Structure and Joint Working Arrangements Review - Preferred Option for Breckland and South Holland District Councils

Purpose: This report sets out the recommendations from Stage One of the Review of the future of the Integrated Shared Management Structure and Joint Working Arrangements between Breckland and South Holland District Councils

Recommendations:

Cabinet recommendations to FULL COUNCIL:

- 1) to approve the preferred option for the future of the integrated shared management structure and joint working arrangements between the two Councils as set out in paragraph 1.9 of this report.
- 2) to activate clause 8 of the memorandum of agreement between Breckland District Council and South Holland District Council and authorise any extension or shortening of the timeframe set out in clause 8.6A by mutual agreement between the two parties, so far as may be considered appropriate by the Leaders, following consultation with their respective Cabinets.
- 3) to approve for consultation the interim structures to support and enable the achievement of the preferred option for both Councils.
- 4) that subject to there being no material changes to the senior management structure following consultation with officers, delegated authority be given to the Head of Paid Service in consultation with the Leader to implement the said structure.

Further recommendations to FULL Council in support of the above recommendations that:

- 5) in respect of any Chief Officer or Deputy Chief Officer post that remains to be filled following the introduction of the new structure at Appendices 3 and 4, Breckland Council members of the Joint Appointments Panel meet as a separate Appointments Panel to make any appointment(s) to such post(s).
- 6) a separate report be brought to Council, prior to implementation of the new structure, to enable the Council formally to designate the required statutory officers from 1 May 2021 – being the Head of Paid Service, the Monitoring Officer and the officer responsible for the financial administration of the authority (s151 Officer).
- 7) the Terms & Conditions of staff in scope of the Review, as follows, be approved to ensure that both councils operate in accordance with the Memorandum of Agreement at clause 8.6 (d) in determining a fair and reasonable allocation of staff between the two Councils, to

enable a fair and reasonable choice for staff in indicating their preferred council and to support the consultation on the interim structures.

- (i) that any member of staff transferring employment from SHDC to BDC, where applicable, BDC would continue to fund the private healthcare scheme.
- (ii) that any member of staff transferring employment from SHDC to BDC, where applicable, BDC would continue to support the special leave provisions.

- 8) the current appointment of Nathan Elvery as Strategic Advisor/Head of Paid Service be extended until 30 April in line with the timescale necessary to support the implementation of these additional recommendations.
- 9) delegated authority be given to the Head of Paid Service in consultation with the Leader of the Council to agree any changes to and to sign and complete any amending agreement in respect of the Memorandum of Agreement that may be considered necessary to implement the above recommendations.

1. EXECUTIVE SUMMARY

- 1.1 A strategic Review of the future of the integrated shared management structure and joint working arrangements between South Holland and Breckland District Councils was commissioned in October 2020.
- 1.2 It is evident that both Councils have demonstrated for more than a decade their collective ambition for their local residents, communities and places. Both Councils have successfully developed and operated a local government shared management and joint working arrangement model which has itself been replicated across the Local Government sector.
- 1.3 The pioneering spirit demonstrated over the last decade continues and the Review is an opportunity for both Councils to explore the natural evolution of their organisations, building on the wisdom, knowledge and experience gained over this time.
- 1.4 The continued focus on evolving each organisation will enable the best possible service and support provision to the local residents, communities and places each Council is there to serve.
- 1.5 This Review has taken place at the same time as both organisations respond to and meet the challenge of COVID-19 for their local communities and therefore every attempt has been made to ensure the Review does not detrimentally impact on the effectiveness of the recovery response and support during this challenging time both nationally and locally.
- 1.6 A detailed evaluation of the options available to both Councils has been completed and the recommendations resulting from this evaluation are contained in this report.
- 1.7 The Joint Strategy Board on the 11 January 2021 endorsed recommendations (1 to 3) contained in this report. Meetings of the Cabinets of both Councils took place on the 26 January (South Holland DC) and 1 February (Breckland DC) and supported recommendations (1 to 4) as set out above. Meetings of the Overview and Scrutiny Committee (Breckland DC) and a Joint Performance Monitoring Panel (PMP) and Policy Development Panel (PDP) (South Holland DC) took place on the 9 February supporting recommendations (1 to 4).

1.8 Additional recommendations (5 to 9) have been identified and are included following observations and comments from the Cabinet and Scrutiny meetings and following on-going governance arrangements of the Review Programme.

1.9 The preferred option has been identified for each individual council as:

- South Holland District Council – **New Local Strategic Partnership**
- Breckland District Council – **New Local Strategic Partnership**

2. BACKGROUND

2.1 Breckland Council and South Holland District Council have had a long standing and successful shared partnership over many years.

2.2 The partnership is governed constitutionally through a memorandum of agreement between both Councils.

2.3 As a response to the COVID-19 pandemic, a '*temporary uncoupling*' of many shared managers to create two locally focused management teams was introduced, approved by Members and is now operationally established. This was required to focus on a "place" response and co-ordination with the county run Local Resilience Forums (LRF's) and Public Health within the county regional setting, responding to requirements to shield and operate business and community support systems. It also builds on the requirement not to travel, stay home and focused on officer's place of residence in accordance with the guidance issued for COVID-19 community safety.

2.4 This arrangement was reviewed and reported to both Councils, South Holland DC 25 November and Breckland DC 10 December, and agreement to support the extension of the current place-based management arrangements at both councils until the conclusion of the strategic Review in March 2021 and the preferred option has been approved by both councils.

2.5 South Holland DC and Breckland DC have now entered Tier 4 risk classification, guidance and restrictions from the Government.

2.6 The previous Joint Chief Executive (and Head of Paid Service) retired from her post with her last day being the 1 October 2020. Both Councils have agreed not to appoint to this post at the current time and until the conclusion of the review of the integrated shared management structure and joint working arrangements.

2.7 Both Leaders have been keen to explore the opportunity this now presents, in terms of the potential next steps for the partnership. This could be to remain tight but also includes considering options to look elsewhere with other council partners (within county) alongside any outcomes and implications from the Local Government Review process.

2.8 An interim Strategic Advisor & Head of Paid Service was appointed in October 2020 to lead and support the Review. This report represents the conclusion and recommendations of stage one of the Review programme.

Shared Management Structure

- 2.9 The joint shared management structure between Breckland and South Holland District Councils was approved by South Holland District Council on the 15 December 2010 and subsequently by Breckland Council on the 16 December 2010. It followed the appointment of a joint chief executive earlier in the year.
- 2.10 The aims of the joint shared management structure in 2010 were to:
- Make more efficient use of their investment in managerial capacity;
 - Make savings in 2011/12 and beyond which will contribute towards the reduction in expenditure required of local government within the Government's Comprehensive Spending Review (CSR). This is to be done through management savings with the aim of protecting frontline services delivered to the public;
 - Achieve a leaner management structure capable of supporting democratic executive leadership; and
 - Permit both the Councils to continue to operate independently and respond to the needs of their communities.
- 2.11 The Councils had accepted that the structure of the new management arrangement should be built upon three core functions of the local authority, namely:
1. Commissioning services (internal & external);
 2. Local government of place (place shaping); and
 3. Organisational governance (democratic accountability).
- 2.12 The joint shared management structure between Breckland and South Holland District Councils was reviewed in 2015 with reports to both Councils, South Holland DC 20 May 2015 and Breckland DC 21 May 2015.
- 2.13 The review identified the following:-
- Cost reductions had been secured from the shared management restructure totalling £4.4m with ongoing annual benefits to each council in excess of £0.5m.
 - Other benefits included:-
 - Joint commissioning for Environmental Health, Health and Safety;
 - Joint working on strategy and policy development;
 - Residents have directly benefited from protection of front-line services during a period of financial pressure; and
 - Resilience of service provision through retaining skilled and talented officers, where other councils have needed to remove them.
- 2.14 In addition the review in 2015 identified a number of internal and external factors which would shape the future direction of the arrangements:
- Some views that improvements are required around visibility and managing expectations, along with delivery and capacity within the officer structure;
 - Changes in the key 'influencers' of the model with a new Leader, Chief Executive and Director, all bringing different perspectives and ideas;
 - A move more broadly across the public sector towards the use of combined authorities and economic prosperity boards. Consequently the existing shared model needs to be able to flex to take full advantage of this development; and
 - The external landscape has shifted significantly since 2010, with Local Enterprise Partnerships (LEP's) and Health and Social Care agendas, resulting in even greater

emphasis on joint working with other agencies within respective county and LEP areas.

- 2.15 The underpinning principles of the new shared model were agreed as follows:
- **Shared Strategic Capacity:** a focus on strategy, commissioning and governance, ensuring the Councils are policy driven and focused on their objectives.
 - **Shared Commercial Capacity:** a focus on innovation in income generation and community inward investment and growth, a clear remit around delivery of major programmes and projects.
 - **Individual Authority 'Place based delivery':** a focus on the place and the requirement to be responsive and local service delivery.
 - **Working with each other as 'one' team:** A commitment from each individual to focus on outcomes for the Councils irrespective of service hierarchy.
 - **Working as 'one council':** Excellent Councils are where Officers and Councillors work together with mutual trust and confidence, reflecting their respective distinctive roles.
 - **Effective Partnerships:** are critical to the way in which the Councils work, and our relationships with partners will be based upon trust, flexibility and commitment.
- 2.16 It is evident that both Councils have demonstrated for more than a decade their collective ambition for their local residents, communities and places. Both Councils have successfully developed and operated a local government shared management and joint working arrangement model which has been replicated across the local government sector. The foundations and principles embedded in these arrangements, established in 2010 and subsequently reviewed in 2015, have helped inform and shape the Review and the recommendations contained in this report.
- 2.17 The pioneering spirit demonstrated over the last decade continues and the Review is an opportunity for both Councils to explore the natural evolution of their organisations building on the wisdom, knowledge and experience gained over this time.
- 2.18 The continued focus on evolving each organisation will enable the best possible service and support provision to local residents, communities and the place each Council is there to serve.
- 2.19 This Review has taken place at the same time as both Councils respond to and meet the challenge of COVID-19 for their local communities and therefore every attempt has been made to ensure the Review does not detrimentally impact of the effectiveness of the recovery response and support during this challenging time both nationally and locally.
- 2.20 At all times the priority for both Councils has been their support and service delivery in response to COVID-19 for their local communities. Therefore whilst every attempt has been made to adhere to the overall timetable for the Review some timescale adjustments have been necessary reflecting the priority of the response to COVID-19.

Place Based Working Arrangements

- 2.21 At the outset of the COVID-19 pandemic Breckland and South Holland District Councils triggered their emergency planning and business continuity procedures, which results in place-based management arrangements commencing in both authorities.

- 2.22 These arrangements remain in place and the management teams at Breckland and South Holland District Councils have operated largely independently of each other although there remains a shared CMT oversight and sharing amongst some corporate services across both organisations.
- 2.23 At present the place-based arrangements are working well and are able to balance both the emergency responsiveness required for the on-going management of COVID-19 whilst continuing to deliver services to our local communities and places. This is only achievable because of the continued dedication, commitment and effective working relationships of Members and Officers on behalf of the communities they serve.
- 2.24 Given the challenges facing both Councils at the current time it has been practical and pragmatic to retain a place-based focus until the conclusion and recommendations are made for the future direction of the strategic partnership relationship. This will provide greater clarity for both organisations and ensure the fluidity of the COVID-19 responsiveness is considered at the time of the implementation of the preferred option.
- 2.25 Furthermore, this will ensure that there can be a continued focus and support to all Members and Officers in the place-based arrangements to ensure the local responsiveness to COVID-19 and effective service delivery and provide some certainty, in uncertain times, to the timescales associated with the partnership arrangements for both councils.

Memorandum of Agreement

- 2.26 The partnership is governed constitutionally through a memorandum of agreement between both Councils. This was agreed on the 1 April 2011, reviewed and amended on 9 January 2015 and subsequently on the 19 June 2019. A Joint Strategy Board was established to have oversight of these arrangements. This demonstrates a continuous and regular review of the integrated shared management arrangements between both Councils.
- 2.27 The Joint Strategy Board was established to support the joint management structure and joint working of the Councils and to consider matters of interest, opportunities for joint working and potential further joint working of the two Councils.
- 2.28 The Joint Strategy Board has the following roles and functions:
1. Monitoring the shared management arrangements and seeking to resolve disputes in accordance with Clause 8 and Clause 11.
 2. Advising on proposals brought forward on shared management arrangements and other joint working between the Councils.
 3. To explore areas of Corporate Planning that are of mutual interest.
 4. To consider areas of innovation and budget efficiencies across both Councils.
 5. To submit proposals arising from 2,3, and 4 above through formal decision-making process at each Council.
- 2.29 The Joint Strategy Board is not a decision-making group and therefore recommendations will be endorsed and subsequently referred to the Cabinet and Council meetings at both Councils, where this is appropriate.

3. OBJECTIVES OF THE REVIEW

3.1 The objectives of the Review are to:

- Complete an 'options appraisal' on the future of the integrated shared management structure;
- Agree areas of joint working between the two Councils, including considerations of other opportunities; and
- Implement the recommended future option.

3.2 The Review has been organised into three distinct stages which support the key decisions which will be required by each Council at each of these key stages. These are set out in Table 1 below.

Table 1 – Review – Key decision timetable

Stage	Preferred Option	Decision Timeline
One – Future Option Appraisal	Recommended	24/25 February 2021
Two – Future Option Development	Business case	TBA
Three – Future Option Implementation	Implementation	TBA

3.3 To support each of the key stages of the Review the following analysis and deliverables have been agreed by each of the programme boards. The key deliverable for stage one is the subject of this report and recommendations and is set out in Table 2 below.

Table 2 – Analysis and deliverables in support of the Review

Stage One Future Option Appraisal	Stage Two Future Option Development	Stage Three Future Option Implementation
<ul style="list-style-type: none"> • To build the 'baseline position' (cost/performance/outcomes) for both organisations from which to assess all future options. • To develop the 'assessment criteria' to measure and assess all future options. • To develop the options for comparison and appraisal. • To complete an 'options appraisal' on the future of the Integrated Shared Management Structure based on the identified options for comparison. 	<ul style="list-style-type: none"> • To develop a 'high level business case' to support the selected preferred option approved by both Councils. • To identify the 'road-map' for the implementation of the selected preferred option. 	<ul style="list-style-type: none"> • To develop an Implementation Plan for the preferred option as approved by both Councils.

3.4 Stage one of the Review is focussed on an option appraisal of future options available to both Councils. This is based on the options as set out in Table 3 below.

Table 3 – Options to be assessed by the Review

Option	Description
As is	This will act as the baseline option from which all other options will be compared and assessed; this option has been compared to the appraisal criteria for completeness.
Improved Existing Partnership	This option will model the improvements, opportunities and challenges of the existing partnership arrangement.
Standalone Authority	This option will model the improvement, opportunities and challenges for a standalone authority arrangement.
New Local Strategic Partnership	This option will model the improvement, opportunities and challenges for a new local strategic partnership. This will model the option and is not specific to any potential partner opportunity at this stage of the Review programme.

4. GOVERNANCE ARRANGEMENTS

4.1 The Review is supported by the following governance structure and arrangements:

- **Joint Strategy Board** - To support the joint management structure and joint working of the Councils, the Joint Strategy Board will be held to consider matters of interest, opportunities for joint working and any potential further joint working of the two Councils in accordance with the Memorandum of Agreement.
- **Leaders Programme Board** - Responsible for strategic assurance and monitoring of the Review programme across both organisations, ensuring the Review programme delivers to agreed strategic objectives. (*Monthly*)
- **Programme Board** - Provides overall management, guidance and control to the programme ensuring the programme delivers agreed outputs and the work streams are on point for delivery. It is responsible for the direction approval and decision-making of the Review programme. The Programme Board reports to the Leaders Programme Board. (*Fortnightly*)
- **Delivery Team** – Responsible for day-to-day support to the Review programme. The Delivery Team report to the Programme Board.

4.2 The Programme Board has the following Terms of Reference:

- Provide overall leadership, direction and steer to the programme;
- Provide support and hold officers accountable for delivery;
- Establish and embed a robust and effective governance framework for transformation initiatives;
- Hold discussions and make decisions that will enable the programme to be delivered to time, cost and quality requirements;
- Manage delivery of transformation initiatives, including variances between plans and performance;
- Champion the programme to ensure obstacles and barriers to delivery are removed;
- Ensure sufficient resources are released or made available as required;
- Deliver the programme plan and ensure effective controls are in place to manage risks, assumptions, issues, dependencies and agreed changes;

- Ensure a smooth transition from the programme to business as usual and that outcomes and benefits of transformation are realised; and
- Co-ordinate and champion programme communication.

4.3 The Programme Board membership is as follows:

- The Strategic Advisor & Head of Paid Service (Interim)
- Executive Director Strategy & Governance
- Executive Director Commercialisation
- Executive Director Place
- Executive Director (Acting)

5. SCOPE OF THE REVIEW

- 5.1 The scope of the Review programme includes all aspects of the integrated shared management structure and joint working arrangements supported by the integrated shared management staffing between both Councils.
- 5.2 An overview of the scope of the Review is shown in Table 4 below. The budget for these services is based on the place-based methodology which already exists between both Councils.
- 5.3 Unless otherwise identified all other staff, services, partnerships, contracts, systems and budgets are outside of the scope of the Review programme.

Table 4 – Summary scope of the Review

Scope	Summary Description
Staff	The number of staff in scope of the Review are 47.14 FTE (40.78 FTE employed by Breckland DC and 6.36 FTE employed by South Holland DC).
Services	The integrated shared management arrangements cover all services within both Councils and therefore form part of the Review with regard to structure, service design and service continuity arrangements.
Partnerships	Both Councils have well developed partnership arrangements. <ul style="list-style-type: none"> • Breckland DC has 50 partnerships, of which 8 are led by the Council and 17 have Officer representation by staff within the partnership arrangements. • South Holland DC has 39 partnership, of which 10 are led by the Council and 13 have Officer representation by staff within the partnership arrangements.
Contracts/Systems	There are 12 shared contracts for systems within the partnership arrangements.
Budget*	The annual cost of staff within the partnership arrangements is £2.893m. This is shared £1.670m for Breckland DC and £1.223m for South Holland DC.

*NB – annual figures based on 2020/21 budget

6. EVALUATION OF THE PREFERRED OPTION

6.1 The options, as set out in Table 3 above have been evaluated in accordance with the following methodology:

- **Option appraisal** - each option has been assessed against eight option appraisal criteria (4 x internal and 4 x external) resulting in a high, medium or low outcome for each of these criteria for each option with a corresponding score of 3, 2 or 1.
- **Political weighting** - the outcome of each of the eight optional appraisal criteria has then been weighted to reflect the political priority and strategic direction of the future opportunity of each individual Council. This is based on a weighting of 1-5 where a score of 1 is desirable and 5 is critical for the future of the Council.
- **Overall weighted score** - based on this methodology each of the options has then been scored overall and a preferred option has been identified for each individual Council.

6.2 To illustrate the methodology this is an example:

Criteria: Partnership of Place - High (score 3)
Political Weighting of Criteria - 5
Overall Weighted Score – 15

6.3 The following sections detail the evaluation of the options and the identification of the preferred option for each individual Council based on the evaluation methodology as set out above.

Option appraisal criteria

6.4 Each of the identified options have been assessed in relation to the options appraisal criteria as set out in Table 5 below. The option appraisal criteria share a single underlying common purpose which is to support all local communities and places and improve the lives of all local residents.

Table 5 – Options appraisal criteria

Option Appraisal Criteria	Description of Criteria
External Criteria	
Partnership of Place	The operating environment for local government has significantly changed and evolved since 2010. To achieve improved outcomes for local communities and places requires local government to work effectively with a range of partners in the public, private and third sectors in a complex partnership place-based environment.
Capacity to the Democratic Leadership	Local Councils are politically and democratically led organisations with their mandates supported and endorsed via local elections. Ensuring sufficient capacity exists within an organisation to deliver the policy pledges and commitments made to the electorate underpins the trust relationship and foundations of the democratic process.
Places & Communities	COVID-19 has highlighted the critical importance of local government to their places and communities and the deep connections of understanding and relationship that are required to ensure community cohesion, resilience and community identity is nurtured, developed and supported at a local level.
National Policies	Local Government exists in a centralised policy environment and thus should best position itself to respond to the new policy direction of any elected Government for the improved outcomes for its communities whilst being able to shape, influence and deliver the local policy agenda for the communities it serves.
Internal Criteria	
Ambition	The scale and appetite of ambition is set by the political leadership of the Council and is reflected in the priorities of the Corporate Plan. The scale of ambition determines both the strategic capacity and strategic structure of the organisation ensuring the organisation is in tune with and can deliver the ambition of its politicians.
Opportunity	The Local Government Sector is full of talented and skilled Politicians and Officers alike. To be an attractive employer in a competitive market requires an organisation to be focussed on the opportunity it can offer to and provide its workforce. Excellent Councils are where Officers and Members work together with mutual trust and confidence.
Effectiveness	To remain agile and responsive to the modern day demands of local government requires organisations to innovate and transform at ever increasing pace and scale. This requires both a pragmatic and long-term focus on the design, development and implementation of the organisation's target operating model (TOM).
Efficiency	Value for money remains a key determinant of resident satisfaction and therefore the relationship between the local taxpayer who pays and the Council who provides the services they receive remains as important today as it always has.

Weighting of appraisal criteria

6.5 The option appraisal criteria results have been weighted based on a weighted score of 1-5 where 1 is desirable and 5 is critical to the future of the Council. These are set out in Table 6 below.

Table 6 – Weighting of option appraisal criteria

Option Appraisal Criteria	South Holland DC	Breckland DC
External Criteria		
Partnership of Place	4	4
Capacity to the Democratic Leadership	5	4
Places & Communities	4	5
National Policies	2	3
Internal Criteria		
Ambition	5	4
Opportunity	3	5
Effectiveness	3	5
Efficiency	4	4

Options evaluation

6.6 A summary of the options evaluation and ranking is shown in Table 7 for South Holland DC and 8 for Breckland DC below, with the full summary details contained as **Appendices 1 and 2**.

Table 7 – South Holland District Council options evaluation

Option	Option Appraisal Score	Weighted Score	Weighted Rank
New Local Strategic Partnership	22	81	1
Standalone Authority	18	69	2
Improved Existing Partnership	15	54	3
As is	12	42	4

Table 8 – Breckland District Council options evaluation

Option	Option Appraisal Score	Weighted Score	Weighted Rank
New Local Strategic Partnership	22	93	1
Standalone Authority	20	87	2
Improved Existing Partnership	15	63	3
As is	12	49	4

7. PREFERRED OPTION

7.1 Based on the evaluation the Preferred options are as follows:

7.2 The Preferred option for South Holland DC is a

New Local Strategic Partnership

7.3 The Preferred option for Breckland DC is a

New Local Strategic Partnership

8. NEXT STEPS

Memorandum of Agreement

- 8.1 To support both Councils in achieving their preferred option it will be necessary to consider the current arrangements and obligations between both Councils as contained in the Memorandum of Agreement (MOA) 1 April 2011 (reviewed and amended on 9 January 2015 and 19 June 2019). Whilst the agreement is not construed as having established or implied any legal partnership or joint venture between the Councils it does set out clearly (Section 8) the arrangements for termination or review of the arrangements between both parties.
- 8.2 Clause 8.5 of the MOA states '*Where either of the Councils terminates or withdraws from this Agreement they shall do so by giving the other not less than **six months**' prior written notice and such a decision to terminate or withdraw may only be made by that Council acting by its full Council*'.
- 8.3 In consideration of the identified preferred option for each Council and the obligations between both Councils there are three options in relation to exercising of termination or review clause of the MOA:
1. Do nothing at this stage and await the outcome of stage two of the Review programme; or
 2. Trigger clause 8.5 of the MOA from the date of the Council meeting decision (25 February 2021); or
 3. Trigger clause 8.5 of the MOA from the date of the Council meeting decision (25 February 2021) and request by mutual agreement between the two parties, so far as may be considered appropriate by the Leaders, following consultation with their respective Cabinets the option to extend or shorten the timeframe as set out in clause 8.6A (6 months).
- 8.4 It is recommended that option 3 be approved by Council. This will ensure that both Councils are able to pursue their preferred option in an appropriate timeframe whilst ensuring that the obligations of the partnership between both Councils is maintained to the mutual benefit of both Councils during the termination period.

Interim Structures for South Holland and Breckland DC's

- 8.5 The timescales associated with the delivery of preferred options are currently undefined and will clearly depend on the appetite and availability of potential partner organisations. Informally local partnership conversations have begun and the decision to pursue the preferred options will enable a more accurate timescale to now be established with interested parties to enable the delivery of the preferred options.
- 8.6 It is therefore appropriate to propose an interim standalone structure for each Council so that the preferred option can be developed and ultimately implemented which recognises and strikes the right balance between the obligations for the current partnership arrangements and the opportunity the preferred options for a new future relationship would enable and provide to both Councils.
- 8.7 The interim structures enable both Councils to separate their existing partnership arrangements whilst identifying the resources which would form part of a new local strategic partnership. The interim structures have been designed as a temporary arrangement for both Councils subject to the development and progress of the future partnership opportunities whilst at the same time providing a structure which is capable of supporting each Council for the foreseeable future.
- 8.8 Clause 8.6(d) of the MOA states '*...In the event of a termination for any reason the Councils will...(d) ensure that each Council is allocated a fair and reasonable proportion of the members of the Shared Senior Management Team subject to any necessary actions being taken as required by employment law or by the policies of the transferring council so that (1) each Council can maintain continuity in the provision of its services at a reasonable level of effectiveness and efficiency and (2) they become employed by the Council to which they are transferred*'.
- 8.9 The interim structures support and enable both Councils to meet their obligations in accordance with clause 8.6(d) above.
- 8.10 Designated officer roles, in accordance with the requirements of the Constitution, have been indicated in the interim structures to provide reassurance to both Councils that the proposed interim arrangements can fulfil the requirements for the Head of Paid Service, Monitoring Officer and S151 Officer for both councils.
- 8.11 In relation to the S151 Officer, the individual designated must hold an appropriate accountancy qualification. In view of this, the current incumbent is also identified as s151 Officer as part of her contract of employment and this designation will therefore need to continue at the ultimate employing authority. It should also be noted that the Monitoring Officer cannot also be designated as the Head of Paid Service or the S151 Officer. There does not appear to be any statutory restriction on one officer being designated both Head of Paid Service and the S151 Officer (subject to the previously mentioned requirement for an accountancy qualification), although this is not proposed in the interim arrangements indicated in **Appendices 3 & 4**.
- 8.12 The final decision in relation to the designated officer roles would be made in accordance with recommendation 6 contained within this report.

8.13 A proposed interim structure for both Councils is set out as **Appendix 3** for South Holland DC and **Appendix 4** for Breckland DC recognising the weighting criteria established as set out in Table 6 and the resources available in the budget proposed for 2021/22. This will be subject to a formal consultation with staff from the 1 March to the 31 March with an implementation phase from the 1 April to the 30 April and a 'go-live' date for the interim standalone structures from the 1 May 2021.

9. REASONS FOR RECOMMENDATIONS

9.1 The recommendations are put forward for the following reasons:-

- To support the outcome of the commissioned Review of the current integrated shared management and joint working arrangements;
- To support both Councils to achieve their preferred option;
- To maintain the integrity of the current shared arrangements; and
- To enable both Councils to successfully navigate the route to their preferred option whilst continuing to effectively deliver and support their local communities and places.

10. EXPECTED BENEFITS

10.1 That both Councils will be able to achieve the additional opportunities from the preferred option which have been evaluated against other options as part of the options appraisal.

10.2 The quantification of the benefits will form a key element of stage two of the Review programme as is subject to a high level business case.

11. IMPLICATIONS

11.1 Carbon Footprint/Environmental Issues

11.1.1 The preferred option will reduce the travel patterns of the current integrated shared management arrangements and therefore have a positive impact on the carbon footprint for both Councils.

11.2 Constitution & Legal

11.2.1 The partnership is governed constitutionally through a memorandum of agreement between both Councils. This was agreed on the 1 April 2011, reviewed and amended on 9 January 2015 and subsequently on the 19 June 2019. A Joint Strategy Board was established to have oversight of these arrangements.

11.2.2 The Joint Strategy Board was established to support the joint management structure and joint working of the Councils and to consider matters of interest, opportunities for joint working and potential further joint working of the two Councils.

11.2.3 The designated Monitoring Officer for both councils is a member of the Programme Board for the Review programme.

11.2.3 Decisions relating to staffing matters, and in particular the terms and conditions of employment, are reserved to Council by law and under our constitution.

11.3 Contracts

- 11.3.1 The contracts within the scope of the Review have been identified. As part of the Review each contract will be evaluated against one of three options 1) Keep in place and let it run its natural contractual term 2) Renegotiate between provider and the partnership or 3) Terminate.
- 11.3.2 Within the existing arrangements the primary assumption will be for existing Contracts to run their natural contractual term in order to minimise the potential risks to both Councils.
- 11.3.3 The Memorandum of Agreement will be varied to reflect the on-going arrangements between both councils from the 1 May 2021. This will include any contracts and systems.

11.4 Corporate Priorities

- 11.4.1 The proposals will benefit all corporate priorities at both Councils as reflected in the options appraisal criteria and weighting factors which have been applied to the evaluation.
- 11.4.2 The alignment of corporate priorities will be a key factor in assessing the future local strategic partner.

11.5 Crime and Disorder

- 11.5.1 It is the opinion of the report author that there are no implications.

11.6 Data Protection

- 11.6.1 Systems which are currently shared between both councils are being reviewed to ensure the management, ownership and future storage of data continues to meet the requirements for data protection.

11.7 Equality and Diversity / Human Rights

- 11.7.1 It is the opinion of the report author that there are no implications.

11.8 Financial

- 11.8.1 The recommendations contained within this report will help inform the assumptions and preparation of the 2021/22 budget and MTFS for both Councils.
- 11.8.2 The approval of the 2021/22 budget will be the subject of a separate decision for both Councils.

11.9 Health and Wellbeing

- 11.9.1 These are challenging times for both councils and for the staff who support the services delivered by and within both Councils. It is recognised that the Review itself could add to the pressures already felt by the staff both within the scope of the Review and the wider staff cohort within each Council. It is therefore important that staff are kept well informed, engaged and consulted throughout the timeline of the Review and additional support and

time spent with individual or groups of staff where it is necessary, appropriate and caring to do so.

11.10 Reputation

11.10.1 Both Councils have had a longer standing reputation for partnership working, this reputation, knowledge and experience will be invaluable in the creation of the new local strategic partnerships. Furthermore both Councils have an established reputation within the local government sector as earlier pioneers for joint working which has been mirrored across the Local Government sector

11.10.2 A joint communications workstream has been established to ensure both councils are able to respond to and engage with external interest.

11.11 Risk Management

11.11.1 A risk log has been established for stage one of the Review programme and is routinely reviewed by the Programme Boards.

11.12 Safeguarding

11.12.1 It is the opinion of the report author that there are no implications.

11.13 Staffing

11.13.1 A number of staffing principles have been established to support the Review programme and recommendations:

1. Every attempt will be made to minimise the risk of redundancy for those staff within the scope of this review and as a consequence of the recommended preferred option for the Review.
2. Every attempt will be made to locate staff to their preferred Council as part of the implementation of the preferred option.
3. No member of staff within the scope of this review will be placed in a less favourable position as a consequence of the temporary place-based staffing operational structure than they would have been based on the permanent staffing operational structure.

11.13.2 A review of the terms and conditions of staff affected by these changes has been completed. Details of changes will be shared with staff as part of the consultation process. It has been agreed to ensure that a '*fair and reasonable*' approach can be taken for the staff in scope of the review, based on the recommendations contained in this report, that there will be no detrimental impact on any member of staff's current terms and conditions in (a) indicating their preferred council of choice or (b) following the implementation of the structure and new employment arrangements. This will not constrain either Councils making any changes to terms and conditions in the future.

11.13.2 All senior managers and staff have been regularly informed and engaged throughout the timeline of the Review programme.

11.13.3 The proposed interim structure contained within this report will be formally consulted with staff and unions. The formal consultation is planned to commence on the 1 March.

11.14 Stakeholders / Consultation / Timescales

- 11.14.1 Representatives from the Unions for both councils have been engaged at an early stage and have been continuously informed, engaged and consulted throughout the Review programme.
- 11.14.2 A series of staff engagement sessions have taken place throughout the timeline of the Review programme and regular communications, as well as the opportunity to ask questions mechanism, has been established in both Councils. The next staff engagement session is planned for the 26 February following the decisions of the Council and ahead of the formal consultation process being launched on the 1 March.

12. WARDS/COMMUNITIES AFFECTED

12. All Wards directly or indirectly.

13. ACRONYMS

- 13.1 Not applicable.

Background papers:-

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Key Decision: No

Exempt Decision: No

Appendices attached to this report:

Appendix 1: South Holland District Council – Summary Score
Appendix 2: Breckland District Council – Summary Score
Appendix 3: South Holland District Council – Interim Structure
Appendix 4: Breckland District Council – Interim Structure