

# **NORTH NORTHAMPTONSHIRE SHADOW AUTHORITY**

## **SHADOW EXECUTIVE COMMITTEE**

**THURSDAY 25<sup>th</sup> MARCH 2021**

<b>Report Title</b>	<b>Shared Service Arrangements</b>
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### **List of Appendices**

**Appendix A – Inter Authority “Administrative Agreement”**

**Appendix B – Governance Arrangements Agreement**

**Appendix C- Service Schedules**

**Appendix D- Governance Diagram**

### **1. Purpose of Report**

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- 1.1. To present the suite of documents that have been created that together form the Inter Authority Agreement (IAA) between North Northamptonshire (NNC) and West Northamptonshire (WNC) authorities for shared services from the 1<sup>st</sup> April 2021.

### **2. Recommendations**

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- 2.1 It is recommended that the Shadow Executive Committee;
- a) Approve the Inter Authority “Administrative Agreement” attached as Appendix A and delegate authority to the Leader in consultation with the Chief Executive to make any necessary amendments, finalise and execute the Agreement prior to 31<sup>st</sup> March 2021.
  - b) Approve the Governance Arrangements Agreement attached as Appendix B and delegate authority to the Leader in consultation with the Chief Executive to make any necessary amendments, finalise and execute the Agreement prior to 31<sup>st</sup> March 2021.
  - c) Note the draft Service Schedules attached at Appendix C which will be included within the Inter Authority Agreement and approve the format of the Schedules.
  - d) Delegate authority to the Leader in consultation with the Chief Executive to finalise Service Schedules which shall be completed before 31<sup>st</sup> Service Schedules
- 2.2 *Reason for Recommendations* –It is essential that governance arrangements are in place with regard to service delivery between the councils and that this

is captured in agreements. Delegated authority is required to ensure that the agreements are completed prior to Vesting Day.

### **3. Report Background**

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- 3.1 In August 2020 a draft Blueprint was prepared which set out how the services from the predecessor Councils would be brought together and how in particular County Council services would be disaggregated and combined with the District and Borough Services to create two new functioning Councils. This draft document was made available to staff and others as part of a consultation exercise.
- 3.2 On 24th September 2020 the Shadow Executive Committee received the detailed Blueprint together with the results of the consultation. The final Blueprint document outlined the future design of the new Councils and since that time the Future Northants Programme has been working to deliver the Blueprint. In subsequent reports to the Shadow Executive, members have approved changes to the Blueprint and these have been captured in the final list which is shown within Schedule 1 of the Administrative Agreement.
- 3.3 As set out in previous reports on the Blueprint, some existing NCC services will be 'hosted' by one of the two new Councils and provided to the other Council. 'Hosting' will continue for a stated period until issues or barriers can be resolved and support a split at an earlier point. The majority of these 'hosted' arrangements will be for a twelve-month period but in some cases will be for up to two years to align with the end date for shared programmes or contracts.
- 3.4 There will also be some services which have been identified as being 'lead authority'. This means that one Council will deliver a service on behalf of both because that is the most efficient and effective way for those services to be delivered and splitting them will be detrimental to the Council in terms of delivery and/or cost.
- 3.5 On 12<sup>th</sup> February 2021, the Shadow Executive were appraised of the proposed governance and legal arrangements that would give effect to the Blueprint and will govern the shared services between the North Northamptonshire Council and the West Northamptonshire Council from the 1st April 2021.
- 3.6 Members agreed that those services identified as delivered through either host or lead models would be managed through the establishment of a Joint Committee which would be made up of executive members of both Authorities and a Joint Officer Board which would be made up of officers and would support the Committee whilst also making decisions at an operational level. Members agreed Terms of Reference for those governance structures and these have been included within the agreements that are appended to this report.
- 3.7 To ensure that day to day decisions are able to be made in an efficient and streamlined way, it is appropriate for individual officers within the authorities to receive powers delegated to them by both Councils. The Council is able to delegate functions to other local authorities through section 101 of the Local

Government Act 1972. On 12<sup>th</sup> February 2021, the Shadow Executive agreed that the delegation of powers should be captured within an “Inter Authority Agreement” and approved the Heads of Terms for the agreement.

- 3.8 Following approval on 12<sup>th</sup> February 2021, significant work has been ongoing to draft the agreements appended to this report and to ensure that the governance framework is in place for Vesting Day that will enable service delivery. This has resulted in the suite of documents attached which provide detailed arrangements.

#### **4. Issues and Choices**

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- 4.1 The arrangements between North Northamptonshire and West Northamptonshire Councils is contained within the following agreements;
- “Administrative Agreement” shown at Appendix A;
  - “Governance Arrangements Agreement” shown at Appendix B
  - “Service Schedules” shown at Appendix C (these will be included within Schedule Two of the Administrative Agreement)
- 4.2 A diagram of the proposed governance arrangements and the accompanying documents is attached as Appendix D.

#### **Inter Authority Agreement**

- 4.3 The Administrative Agreement is an overarching agreement and includes boilerplate clauses which will apply to all shared services regardless of whether they are host or lead. The agreement is based upon good faith and partnership between the authorities and is entered into with the aim of providing excellent and cost effective services to residents of Northamptonshire. Members should note however that should it be required, the agreement sets out arrangements for dispute resolution.
- 4.4 Key clauses are;
- Length, notice and termination arrangements
  - Information, data sharing, data protection and confidentiality;
  - Dispute resolution;
  - Insurance and indemnities.
- 4.5 The agreement will have a commencement date of 1<sup>st</sup> April 2021 however there is no end date to enable the authorities to continue to deliver services in a cohesive way across Northamptonshire should they choose to. Should however the authorities wish to terminate the agreement, the proposed agreement includes a 12 month notice period to terminate the agreement and a detailed exit strategy is included within the Schedules to enable transitional arrangements to be agreed and implemented by the parties.
- 4.6 The Administrative Agreement has a number of Schedules which are;
- **Schedule One-** List of Functions and Services (Blueprint)
  - **Schedule Two-** Service Schedules (which describe services operationally)

- **Schedule Three-** Service Plans (set out budget and performance for services)
- **Schedule Four-** TUPE Employees
- **Schedule Five-** Seconded Employees
- **Schedule Six-** Exit Strategy

### **Service Schedules**

- 4.7 There are 49 shared service arrangements and each service arrangement requires a Receiver and Provider agreement. Work has been ongoing with the service areas to ensure that sufficient detail is included within the schedules which will enable service delivery. The Service Schedules are contained within the Administrative Agreement.
- 4.8 Key elements of the Schedules are;
- Stating who is the Receiver and Provider of the service
  - Stating whether the service is hosted or lead
  - Service scope and description
  - Any excluded functions/services
  - Whether there are any external arrangements
  - Staffing
  - Assets and Premises
  - Statutory service requirements
  - Information governance and data processing
- 4.9 Service schedules do not currently include key performance indicators or budgetary provisions. These will be included within Service Plans designed by the service after Vesting Day. The Service Plans will be a key element of the governance of the shared services and will be used to ensure that services are accountable and are delivering services in line with agreed expectations.
- 4.10 Service plans will be considered by the Joint Operational Board and agreed by the Joint Committee which will allow political oversight of how services will be delivered and monitored. Once agreed, Service Plans will be included within Schedule 3 of the Administrative Agreement.
- 4.11 Although the Administrative Agreement sets out termination provisions for the entirety of the agreement, for those services which are hosted and are therefore intended to be shared on a short term basis only, exit strategies will be included within the Service Plans to ensure that there is clarity on how/when the services will be disaggregated and to facilitate a considered transition. For lead services, the Joint Committee will be able to determine that the Authorities no longer wish to share services as part of transformation work at both councils and may determine exit strategies as appropriate.
- 4.12 Although the completion of the Service Schedules has progressed well and key services are included at Appendix C, some will continue to be progressed in readiness for Vesting Day. Delegated authority is sought for the Leader in consultation with the Chief Executive to agree and amend those schedules which have not yet been completed prior to 31<sup>st</sup> March 2021. At the time of

publication 9 have been signed off, 30 were in final form and the remaining number which consist of low level services are being progressed.

### **Governance Arrangements Agreement**

4.13 The Governance Arrangements Agreement sets out the form and Terms of Reference for the Joint Committee set up under s.102 of the Local Government Act 1972. Members approved the form and Terms of Reference at its meeting on 12<sup>th</sup> February 2021 and these have been captured in the agreement attached at Appendix B. Members should note that it is proposed that the Chair of the Committee rotate on an annual basis to provide stability throughout the year and the location of the meetings shall alternate between the parties.

4.14 The Agreement also sets out;

- Functions and Services subject to the s.101 Administrative Agreement
- Data Processing Schedule
- Terms of Reference of the Joint Officer Board which will meet to agree the matters to be presented to the Joint Committee and to deal with operational matters. These were previously approved by members on 12<sup>th</sup> February and has been captured within the Agreement.

## **5. Implications (including financial implications)**

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### **5.1 Resources and Financial**

5.1.1 The terms of reference outlined that the Joint Committee will determine the financial arrangements and will do so within the budgets set for each of the Councils. Therefore, the financial arrangements would be subject of later decisions through the Joint Committee. There are nevertheless significant financial implications if shared governance arrangements cannot be agreed and the services are required to disaggregate without the necessary planning. There may be financial or operational implications where the services cannot agree to the terms within the schedules; such matters would be referred to the Joint Committee.

### **5.2 Legal**

5.2.1 The legal implications are set out within the body of the report.

### **5.3 Risk**

5.3.1 There is a risk that the services may not agree to the Service Plans will form part of the Service Schedules. In any event these would be referred to the Joint Committee for a decision.

### **5.4 Consultation**

5.4.1 Consultation is not required.

## 5.5 **Consideration by Overview and Scrutiny**

5.5.1 None

## 5.6 **Climate Impact**

5.6.1 None

## 5.7 **Community Impact**

5.7.1 None

## **6. Background Papers**

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IAA Main Report

Updated Blueprint- Schedule of Services

Draft IAA

Proposed Terms of the Reference of the Joint Committee

Proposed Terms of Reference of the Joint Officer Board

Proposed reservation of delegation in the Constitution