

Shared Service Joint Committee

Wednesday 14 June 2023

Report Title	Inter Authority Agreement Annual Report for 2022/23
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Executive Member	Cllr Jonathan Nunn, West Northamptonshire Council Cllr Jason Smithers, North Northamptonshire Council

Key Decision	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

List of Appendices

None

1. Purpose of Report

- 1.1. The purpose of the report is to present an annual summary of activity taken from the Inter Authority Agreement (IAA) between WNC and NNC with both hosted and disaggregated services. It effectively fulfils the role of an annual report for the activity of the Shared Services Joint Committee.
- 1.2. The report also sets out the status of the Schedule 2 and Schedule 3 documents for each of the shared services, so that these can be resolved now that the Deed of Variation is in place to give effect to changes agreed by the Joint Committee to date.

2. Executive Summary

- 2.1 The Inter Authority Agreement with its subsequent schedules were developed between West and North Northamptonshire Councils for both hosted and lead services and agreed by Shadow Executive Meetings for both authorities and were executed before vesting day in March 2021.
- 2.2 The Shared Services Joint Committee's role is set out within the IAA, set by the Shadow Executive and is to oversee the management of those services which are provided on a Northamptonshire wide basis on behalf of North Northamptonshire and West Northamptonshire Councils. This is to ensure effective delivery of such services and to enable decisions to be made jointly about the provision of the shared service arrangements.
- 2.3 Since April 2021, officers from both North and West Northamptonshire Councils have been working collaboratively to disaggregate hosted services according to the original blueprint timetable and in accordance with the decisions made by the Shared Services Joint Committee.
- 2.4 The original IAA was drafted to ensure that a formal process needed to be completed (including the agreement of a Deed of Variation) for each change (incorporation/amendment/deletion/addition) to the IAA.
- 2.5 A Deed of Variation was agreed between the North and West in April 2023 to regularise the IAA. To date no changes other than this one have been agreed. Therefore, although a number of services have disaggregated, in practice the IAA has not been amended and therefore the services remain subject to the IAA.
- 2.6 The purpose of this report is to set out the proposed changes to give effect to the decisions of the Joint Committee to date and to highlight further changes to reflect the current position in relation to shared services.
- 2.7 In the original IAA Schedule 3 was intended to provide the detail of the charging between each authority and the key performance measures. Considerable work has been carried out to develop the details of charging for each service that relates to this schedule, providing the individual financial arrangements for service delivery.
- 2.8 A number of Schedule 3s have been drawn up since 30th March 2021 and the services have been charging and delivering services in accordance with these documents.
- 2.9 As the Schedules 3 documents were not agreed prior to 31st March when the IAA was signed, they are not incorporated into the IAA and therefore this report also seeks agreement for those Schedule 3s that are agreed to be incorporated.

3. Recommendations

- 3.1 It is recommended that the Shared Services Joint Committee:
- 3.1.1 Notes the current position in relation to shared services set out in Table 1 and agrees that all the services which are listed as already disaggregated or not a shared service should be removed from the Schedule 1 and 2 of the IAA where applicable and that any agreed Exit Plan be incorporated into the IAA at new Schedule 8.
 - 3.1.2 Notes the current position in relation to shared services set out in Table 2 and agrees that the proposed changes will be made to the Schedule 2 for each services area to reflect the partial disaggregation in relation to those services.
 - 3.1.3 Notes the current position in relation to the Schedule 3s and agrees that the Schedule 3 General Principles document together with all the Schedule 3s set out in Table 3 should be incorporated into the IAA.
 - 3.1.4 Notes that any outstanding Schedule 3s which have not already been agreed, will be drafted and then incorporated into the IAA.
 - 3.1.5 Notes the list of services identified as being shared services which are not currently covered by the IAA and agrees that the Schedule 2 and Schedule 3 documents should be drafted to set out the scope and when complete and agreed, those services should be incorporated into to the IAA in accordance with the templates and Schedule 1 amended to reflect the incorporation of those services.
 - 3.1.6 Agrees that when services are disaggregated in future any agreed Exit plans at disaggregation will be incorporated into the IAA when the services are removed from the IAA and retained in new Schedule 8.
 - 3.1.7 Delegates to the Monitoring Officers for WNC and NNC, authority to make the necessary changes to the IAA to give effect to the decisions outlined in recommendations 3.1.1 to 3.1.6 above.
 - 3.1.8 Agrees that each Joint Committee meeting will receive an update report on the progress towards the completion of the decisions arising from recommendations 3.1.1 to 3.1.7 above.

3.2 Reason for Recommendations

To accord with the Terms of Reference of the Shared Services Joint Committee for “Ensuring that there are robust plans for any disaggregation of services and that there is a smooth transition to new service delivery arrangements.”

To ensure that the IAA is up to date, comprehensive and reflective of the decisions taken by the Joint Committee to date and the practical position in relation to the current shared service arrangements.

4. Report Background

Overview of IAA

- 4.1 The IAA is an overarching agreement which sets out the substantive clauses applicable in relation to all shared service arrangements. Schedule 2 sets out the scope of each shared service and Schedule 3 the financial arrangements.
- 4.2 The IAA is the legal contract between both North and West Northamptonshire Council. As changes, variations and decisions are approved by Shared Services Joint Committee, these need to be amended and reflected within the IAA.
- 4.3 There were a number of specific amendments required to the operation of the IAA which were necessary and considered at the Committee on 27th April 2022. That Deed of Variation has now been put in place and enables the further changes necessary to bring the IAA up to date.
- 4.4 The Blueprint is the service delivery model that was approved by both North and West Northamptonshire Council Shadow Authorities in September 2020. It sets out the detail of how services will operate and the design principles that will underpin their future operation. It was adopted as the basis of the Day One functional design for the new unitary Councils. This included those that were to:
- Remain within a 'lead' arrangement; either West or North Northamptonshire provide the associated shared service on behalf of the other Local Authority.
 - Remain within a 'host' arrangement; either West or North Northamptonshire provide the associated shared service on behalf of the other Local Authority for an agreed period, prior to the service being disaggregation

Progress with Service Disaggregation in 2022/23

- 4.5 Since 2021 a number of services have completed the practical disaggregation and therefore require removal from the IAA. These are shown in Table 1 below.

Name	Directorate	Planned Disagg	Revised Disagg	Actual Disagg
Education - School Admissions	Children's	31/3/22	31/8/22	31/8/22
Children's safeguarding in Education	Children's	31/3/22	1/9/22	1/9/22
Highways and Transport (except H2ST and PBLE)	Place and Economy	31/3/22	1/9/22	12/9/22
S106 Devt Mgmt incl Education, Libraries and Digital Infrastructure (S106 function)	Place and Economy	30/9/22	30/9/22	23/9/22
Public Health Management, Commissioning, Admin	Public Health and Wellbeing	30/9/22	30/9/22	03/10/22

Public Health Wellbeing Services	Public Health and Wellbeing	30/9/22	30/9/22	03/10/22
Learning and Development Phase 1	Governance and HR	31/10/22	31/10/22	31/10/22
Home to school transport (H2ST)	Place and Economy	31/3/22	31/10/22	31/10/22
School Swim (Cessation of service)	Public Health and Wellbeing	31/7/22	31/12/22	31/12/22
Shared Lives	Adults, Health Partnerships and Housing	28/2/23	31/1/23	31/3/23
PBSS	Adults, Health Partnerships and Housing	30/9/21	31/3/23	31/3/23
Parking & Bus Lane Enforcement (PBLE)	Place and Economy	31/3/22	31/3/23	31/3/23
SEND (IASS)	Children's	30/9/22	31/3/23	31/3/23
Learning and Development Phase 2 (Business Support & ILearn)	Governance and HR	31/10/22	31/3/23	31/3/23
S106 (staffing element)	Place & Economy	31/3/23	31/3/23	1/5/23
Services Disaggregated in 2021/2022 and now requiring removal from the IAA:				
Waste Management – Residual				
Waste and Closed Landfills Place and Economy				
Emergency Planning Place and Economy				
LIVE Adults, Health Partnerships and Housing				
DoLS Adults, Health Partnerships and Housing				
Country Parks and Outdoor				
Learning Place and Economy				
Services to Schools & Academies - HR Advisory & Policy Children's Service				
Chester House				
Lord Lieutenancy Support (not a shared service).				
Public Health DPH				
ICT Business Systems (ERP)				
Employment and Disability Service				

Table 2 – Disaggregation proposals in train/under review in 2022/23

Name	Directorate	Planned Disagg	Revised Disagg
Sensory Impairment Service	Children's	1/9/22	TBC
Learning and Development Phase 3 (Apprenticeships)	Governance and HR	31/10/22	31/3/24

Assistive Technology	Adults, Health Partnerships and Housing	28/2/23	31/3/24
Visual Impairment Service	Adults, Health Partnerships and Housing	28/2/23	Long term deferral
Adult Mental Health Practitioner Service AMHPS	Adults, Health Partnerships and Housing	28/2/23	Long term deferral
Libraries Support Services (including trade)	Communities	31/3/23	31/3/24 Review Date
IT Digital Services	Chief Executive Office	31/3/23	Staged disaggregation has commenced with final contract amends in 2025

4.6 **Public Health - Health Intelligence and STP (Sustainability Transformation Plan)** is a lead service within the IAA. However, service leads at both authorities agreed to bring forward proposals for disaggregation of the service, which was agreed by Joint Committee (Shared Services) and confirmed by the publication of a decision notice in lieu of the meeting on 17th May 2023.

4.7 Although **ICT services** were originally hosted services, there has been a deep dive into all the services and an independently commissioned review of the options available for both councils to support their transformation journeys. There are continuing conversations between both councils to support the ICT roadmaps moving forwards with the sensible splitting of contracts and services where appropriate. There is acknowledgment from both councils that there needs to be appropriate investment in technological and digital solutions for both new councils and the continued aggregation of applications for core priority services. It has been agreed to remove ICT Business Systems from the IAA as these are governed by a separate agreement covering the shared arrangements with other councils

Progress With Schedule 3's

4.8 During 2022/23 a number of Schedule 3s were drafted for the IAAs. These were developed at different speeds given the nature and complexity of the services as well as their disaggregation timelines. The IAA has a number of Schedule 3s drafted, these can be found in table 3. These need to be incorporated into the IAA and copies of these documents are available on request.

Table 3 – IAA's With Schedule 3 Agreements Completed

Name	Schedule	Provider Authority	Not required to be added to the IAA
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Approved Mental Health Professionals	3A1	NNC	
Assistive Technology	3A2	WNC	
Visual Impairment	3A8	WNC	
Public Health Intelligence and STP	3C5	NNC	
Libraries Support Services (Including Trade)	3D2	WNC	
Lord Lieutenancy	3D4	WNC	This is not a shared service, it's a countywide service
Economic Development- Digital Infrastructure	3D6	NNC	
Street Lighting PFI (as more particularly described in NNC's scheme of delegation)	3E1	WNC	This is not part of the IAA, it's covered by a separate agreement
Northamptonshire County Archives, including Portable Antiques Services and Historic Record Service)	3F1	WNC	
Growth and Regeneration – Minerals and Waste Planning	3G1	NNC	
County Traveller Unit (CTU)	3H4	NNC	

4.9 Following this there are a number of IAA agreements where the Schedule 3s have not yet been completed, outlined in Table 4 below.

Table 4 – IAA's Without Schedule 3 Agreements In Place

Name	Schedule 2 Ref	Provider Authority	Already disaggregated
Safeguarding – Deprivation of Liberties	2A4	NNC	X
The Employment and Disability Service (EADS)	2A5	NNC	X
LIVE	2A7	NNC	X
Sensory Impairment Service	2B1	NNC	
Virtual School	2B5	NNC	
Adult Learning	2C2	NNC	
I.T. Digital Services	2D5	WNC	
Northamptonshire Archaeological Resource Centre (ARC)	2F4	NNC	
The Chester House Estate	2F5	NNC	X

- 4.10 Furthermore, there are services which have been identified which are not currently recognised in the IAA but should be reflected in it going forward. Activity is required to progress this. Services may be identified at a later date however at present the following services have been identified in Table 5.

Table 5 – Services to be Considered for Incorporation into the IAA

Service	Providing Authority
Registrations	WNC
Management of the Data Storage Contract	WNC
Management of County Council Insurance Claims	WNC

5. Issues and Choices

- 5.1 The IAA was agreed by both Councils Shadow Executives in March 2021. At the same time the Joint Committee was established to oversee the operation of the IAA and shared services arrangements. Since that date no changes have been made to the IAA although a number of services have disaggregated in practice.
- 5.2 The proposals in this report aim to bring the IAA up to date and ensure it reflects the current position and that further changes are made to the IAA to reflect the services that were not included previously but which are shared. If this does not happen then the legal arrangements for the sharing of services become increasingly unclear and as this also leads to uncertainty as to the financial arrangements, there is ultimately a risk to service provision.

6. Implications (including financial implications)

6.1 Resources and Financial

The IAA was agreed by both Councils in March 2021 and that version remains the substantive version subject only to the recent Deed of Variation which resolved some anomalies and issues within the IAA.

The next step is to clearly identify services which are no longer shared and need to come out of the agreement and services which are shared but are not covered by the agreement and therefore need to go in. There is also a need to recognise those services which continue to be shared but to a lesser extent than as described in the original IAA and these need to be amended to reflect that change.

There is also a need to agree a Schedule 3 for each service which remains in the IAA. The regularisation of the IAA requires the legal departments of both Councils to work together, with the benefit of instructions from the services in relation to the amendments required for the next Deed of Variation to be drawn up. There is a dispute procedure within the IAA which enables the Councils to resolve disputes between them where these arise.

6.2 Relevant Policies and Plans

The progress and proposals set out within this report directly support both councils in delivering their respective objectives and commitments as set out within their respective Corporate Plans and their MTFS.

6.3 Risk

The current risks around not having legally disaggregated services and the financial analysis and subsequent charging are mitigated by accepting the proposed recommendations in this report.

6.4 Consultation

There are no associated consultation requirements in relation to the proposed recommendation within this report.

6.5 Equality Implications

There are no Equality Implications arising from this report as the proposal recommended do not seek to change or review existing practice.

6.6 Climate Impact

There are no Climate Impacts arising from this report and the proposal recommended.

6.7 Community Impact

There is no Community Impact arising from this report and the proposal recommended.

6.8 Crime and Disorder Impact

There are no impacts and/or implications Under Section 17 of the Crime and Disorder Act 1998 from this report and the proposal recommended.

7 Background Papers

Inter Authority Agreement (available on request)

Shared Services Joint Committee Terms of Reference

<https://northnorthants.moderngov.co.uk/documents/s1065/6.%20Appx%20A%20-%20Terms%20of%20Reference.pdf>

Appendix A - TF Priority Plan- North and West

<https://northnorthants.moderngov.co.uk/documents/s1187/10.%20Appendix%20A%20-%20TF%20Priority%20Plan-%20North%20and%20West%20v4.4.pdf>

North Northamptonshire Shadow Executive Committee Thursday 24th September 2020 Item 09

<https://northnorthants.moderngov.co.uk/CeListDocuments.aspx?Committeed=139&MeetingId=114&DF=24%2f09%2f2020&Ver=2>

West Northamptonshire Shadow Executive Committee Tuesday 22nd September 2020 Item 08

<https://westnorthants.moderngov.co.uk/CeListDocuments.aspx?Committeed=140&MeetingId=116&DF=22%2f09%2f2020&Ver=2>

North Northamptonshire Council Corporate Plan, Our Priorities for the Future

<https://www.northnorthants.gov.uk/corporate-plan/our-priorities-future>

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