

Shared Services Joint Committee

Wednesday 27th April 2022

Report Title	IAA Variation Notice Learning and Development Disaggregation
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Executive Member	WNC Cllr Mike Hallam, Portfolio Holder for HR & Corporate Services NNC Cllr Scott Edwards, Executive Member for Children, Families, Education and Skills

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 To seek approval to disaggregate the Learning and Development (L&D) functions listed below, by 30 September 2022:
- Adults, Communities & Wellbeing.
 - Childrens (the Education provision).
 - Leadership and Digital.

2. Executive Summary

- 2.1. On 24th September 2020, the North Northamptonshire Shadow Executive Committee approved and adopted a Disaggregation Blueprint. One of the decisions that was identified within this Blueprint was a North hosted Learning and Development (L&D) service, with responsibility for delivering a comprehensive learning and training offer to West Northamptonshire Council and the Northamptonshire Children's Trust (NCT), through established service level agreements. The Blueprint also noted that the hosted arrangements would be disaggregated by October 2022, thus establishing separate L&D services for NNC and WNC.
- 2.2. Prior to the formation of the two unitaries, sovereign authorities had responsibility for their own learning and development arrangements, with some delivering this in-house, and others commissioning external providers.
- 2.3. In total, there are seven separate functions that fall within the hosted Learning and Development service. In addition to this disaggregation paper, a change request has also been submitted to the Shared Services Joint Committee to seek approval to disaggregate these seven functions in two phases, but still with a completion date within the 2022/ 2023 financial year.
- 2.4. The recommendations within this report seek approval to disaggregate the L&D functions noted in section 3.1, by 30 September 2022 in line with the agreed Disaggregation Blueprint. This would form Phase 1 of the disaggregation process.

Pending approval of this recommendation, the remaining L&D functions will disaggregate by 31 March 2023; or in the case of the L&D function delivering services to the Northamptonshire Children's Trust (NCT), disaggregation will take place in line with the Service Level Agreement timelines for 2022/23. This would form Phase 2 of the disaggregation process. A further impact assessment would be bought to the committee at that stage, to approve disaggregation of the remaining functions.

3. Recommendations

- 3.1. That the Shared Services Joint Committee:
 - a) Approve the disaggregation of the L&D functions listed below, by 30 September 2022:
 - Adults, Communities & Wellbeing.
 - Childrens (the Education provision).
 - Leadership and Digital.
 - b) Grant delegated authority to the Monitoring Officers for North and West Northamptonshire Councils to put into place a deed of variation to the Inter Authority Agreement (IAA) for the service to exit the IAA.

- c) Approve that both WNC and NNC will act in accordance with Service Plans, Exit Plans, and any Collaborative Working Agreements agreed by both WNC and NNC service leads and approved by Monitoring Officers until such time as a formal Deed of variation has been completed.

3.2. Reasons for Recommendations:

- Ensure the safe and legal disaggregation of Learning and Development functions, in line with the Local Government Reform Blueprint.
- Enable each authority to tailor their learning and development provision to their organisational/corporate priorities and service delivery model.
- To ensure that any changes to the Inter Authority Agreement arising from disaggregation are correctly enacted with proper authority.

3.3. Alternative Options Considered

The option to remain as a hosted service was considered but it is recognised that this option does not align to the Disaggregation Blueprints agreed by the Shadow Executives in September 2020.

4. Report Background

- 4.1 Since the formation of the two new unitary authorities in April 2021, the L&D service has been hosted by NNC and provides services to WNC and the Children's Trust; as per the agreed Blueprints.
- 4.2 Detailed disaggregation fact checks and impact assessments have been completed, and options about the future of the L&D service have been considered. The outcome of this work has led to the recommendations noted in this report; notably to proceed with a two phased disaggregation approach, commencing in April 2022.
- 4.3 Phase 1 disaggregation (Adults, Communities & Wellbeing L&D, Children's L&D and the Leadership and Digital function) incorporates 24 posts (21.23 full time equivalent), including 3 vacancies.
- 4.4 The impact of disaggregation has been factored into the 2022/23 Learning and Development budget.
- 4.5 To ensure continuity of service delivery, both authorities will review operating structures post disaggregation. Therefore, any future service redesign will be carried out separately, in accordance with the respective governance processes for each Council. WNC and NNC will meet future funding requirements through the realignment of existing budgets.

4.6 The recommended option comprises of a 50/50% split of staff and budgets, operating independently in NNC and WNC.

5. Issues and Choices

5.1 The Impact Assessment considered two main options:

- (1) Remain as a Hosted Service.
- (2) A 50/50% split of functions.

The key benefits and dis-benefits of these options are summarised in Table 1.

5.2 Table 1

Option	Benefits	Dis-benefits
Option 1 – Remain as a Hosted Service.	<ul style="list-style-type: none"> • No disruption to current service /ensures consistency and continuity of training provision. • Realises economies of scale in delivery of training courses. • Reduces risk of skills gap/ management capacity and enables cross-working. 	<ul style="list-style-type: none"> • Does not align to agreed Blueprints for hosted service disaggregation. • Reduces ability to deliver bespoke / tailored learning and training solutions that meet the specific needs of each Council. • Lack of ownership of learning and development opportunities.
Option 2 – Split the Function 50/50%	<ul style="list-style-type: none"> • Aligns to the Corporate Plan and agreed Blueprints for each organisation. • Enables each authority to provide bespoke / tailored learning solutions that align to organisational priorities and needs. • Enables each council to redesign their L&D delivery model and structure in a way that is fit for the future and in line with budgetary requirements. 	<ul style="list-style-type: none"> • Duplication in mirroring generic training course and reporting requirements. • Potential for skills gap/ specialist knowledge gap due to 50/50 split, leading to further recruitment post disaggregation. • Potential risk of some in scope employees choosing to leave, due to concerns about work location and distance from home address.

5.3 Option 2 is the recommended option, as endorsed by the Joint Officers Board on 16th March 2022.

5.4 The three recommended Learning and Development functions will disaggregate with as near to a 50/50 split of staff resource and budget as possible (approximately 10.6FTE in each authority).

- 5.5 The original Blueprint proposed the disaggregation all L&D functions by October 2022. When this timeline was proposed, the detailed fact-finding exercise of each of the functions that make up L&D had not been completed. The fact checks identified several key risks associated with the disaggregation of all seven L&D services simultaneously from April 2022. Option 2 will deliver disaggregation of the three of the seven functions safely and legally, within the Blueprint timeline.
- 5.6 As a joint project between North and West Northamptonshire Council, it has been agreed that the North Transformation Team provide a lead Project Manager. Enabler resource across both authorities will also be required to support to the project within the expected timescales.
- 5.7 As stated, both Councils will meet the funding requirements through a review and realignment of existing budgets across the teams as required.
- 5.8 Any options listed here will be reflected in the Decisions and Minutes published after the meeting.

6. Next Steps

- 6.1 Engagement and formal consultation with in-scope staff and recognised union representatives will take place following approval of the recommendations in this report.

7. Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 The impact of this disaggregation is factored into the 2022/23 Learning and Development budget.
- 7.1.2 The WNC Inter Authority Agreement (IAA) contribution is in place for 2022-23 for all seven L&D functions. The IAA income to NNC will reduce by the associated amounts for the disaggregating functions at the point of disaggregation.
- 7.1.3 NNC and WNC will meet future funding requirements through a review and realignment of existing budgets across the teams as required. This realignment will, for example, provide additional resource through the consolidation of legacy District and Borough training commissioning budgets.
- 7.1.4 It is recommended that a review of the team structures is undertaken by both authorities to ensure that the proposed structure can be accommodated within these realigned budget allocations.

7.2 Legal and Governance

- 7.2.1 The Shared Service Joint Committee is responsible for ensuring there are robust plans for any disaggregation of services and that there is a smooth transition to new service delivery arrangements. The Committee is also responsible for ensuring that statutory arrangements are in place for each Council.
- 7.2.2 The L&D service, which provides statutory and mandatory training, is currently hosted by NNC and provided to WNC. Upon the termination of this hosted Inter Authority Agreement, an Exit Strategy will be put in place.
- 7.2.3 As part of the disaggregation process, employees will undergo a consultation period where the outcome of employee allocation will be determined, and some employees will transfer across to WNC under Transfer of Undertakings (Protections of Employment) rules (TUPE) and the disaggregation principles agreed with the Trades Unions.

7.3 Relevant Policies and Plans

- 7.3.1 The disaggregation of the L&D functions complies with the requirements of the approved Blueprint, which outlines the hosted services in each authority that require disaggregating.

7.4 Risk

- 7.4.1 There are no significant risks arising from the proposed recommendations in this report. Any project management risks will be managed through the project governance process.

7.5 Consultation

- 7.5.1 Consultation with affected employees and recognised trades unions will commence in May 2022 for a minimum period of 45 days subject to the approval to proceed with phase 1 disaggregation.

7.6 Consideration by Executive Advisory Panel

- 7.6.1 Not applicable

7.7 Consideration by Scrutiny

- 7.7.1 Not Applicable

7.8 Equality Implications

- 7.8.1 Any equality impacts will be considered as part of the formal employee consultation process.

7.9 Climate Impact

7.9.1 As part of the disaggregation some staff will TUPE from NNC to WNC, there may be reduced or additional travel considerations for some members of staff.

7.9.2 There is the ability to better utilise technology and deliver more online training to offset the potential impact noted in 7.9.1 and align delivery to each Councils future working strategies. Alongside, training materials can also be provided online therefore reducing paper and printing usage.

7.10 Community Impact

7.10.1 Not Applicable.

7.11 Crime and Disorder Impact

7.11.1 Not Applicable.

8. Background Papers

8.1 Not Applicable.