
ESTABLISHMENT OF EAST KENT SERVICES COMMITTEE AND ASSOCIATED ARRANGEMENTS

To: **Cabinet – 20 January 2015**

Main Portfolio Area: **Business and Corporate Resources**

By: **Councillor Elizabeth Green, Cabinet Member for Business and Corporate Resources**

Classification: **Unrestricted**

Ward: **All Wards**

Summary: This report proposes revise collaboration arrangement for East Kent for those authorities in East Kent which are still sharing services through East Kent Services and East Kent Human Resource Partnership including, a revised committee structure and operating arrangements and a proposed administrative collaboration agreement. Once implemented the East Kent Joint Arrangements Committee will cease to exist

For Decision

1.0 Introduction and Background

- 1.1 In the summer of 2012 the East Kent Joint Arrangements Committee, the East Kent Joint Scrutiny Committee and the executives of each council represented on the Joint Committees considered a report submitted by the Head of Legal and Democratic Services (Canterbury) and Solicitor to the Council (Dover) reviewing the East Kent arrangements for the delivery of shared services.
- 1.2 The Councils resolved to dissolve the East Kent Joint Arrangements Committee and the East Kent Joint Scrutiny Committee on the establishment of a new committee relating to functions shared by Canterbury City Council, Dover District Council and Thanet District Council. Once established, Kent County Council and Shepway District Council would cease to have any further involvement in the arrangements.
- 1.3 Following this, consideration was given by Canterbury, Dover and Thanet to the future management of the shared services.

2.0 Features of Current Structure

- 2.1 The shared services arrangements for East Kent Services (EKS) and EK Human Resources (EKHR) were established at different times and under different collaboration arrangements. EKHR came first. EKS came later.
- 2.2 Whilst the two collaboration documents have features in common e.g. delegations through a joint services arrangements committee, the EKS document reflects the

learning which was achieved over the working of joint services arrangements in practice.

- 2.3 Both arrangements are administrative collaborations taking effect under local government legislation. The arrangements are evidenced in formally drawn collaboration agreements which are necessary so that the parties have a clear understanding of how the shared service is to operate. The Councils have agreed to pool their sovereignty in respect of certain functions and delegate them to a joint committee which in turn has delegated the functions covered by EKS to The Director of Shared Services and the functions covered by HR to the Head of EKHR.
- 2.4 By the decisions of 2012 the parties have agreed to dissolve the existing East Kent Joint Arrangements Committee primarily because the membership includes members from Shepway District Council and Kent County Council who either do not, participate in the shared services or only do so to a very minor extent. If the current payroll project proceeds to its intended conclusion, neither will be involved in the shared services at all.
- 2.5 The chief executives of the parties have examined and rejected the possibility of attempting to deliver the shared services through a corporate entity for reasons which included legal complexity, procurement and tax. In view of this and the foregoing and the desire of the participating councils to retain some sovereignty over shared services a shared services committee of some description must be maintained. Part of the function of this report is to describe how that joint committee may be constituted and run as a result of the proposed changes we describe.
- 2.6 In addition, the Director of Shared Services and the Head of EKHR have worked increasingly closely together and whilst not formally merged by decision have sought to align their management and operations as closely as possible. To take matters further and formally align their management formal decisions on structures and delegations are required.

3.0 The Proposed Joint Committee

- 3.1 Schedule 1 sets out the operating arrangements for a new joint committee to be known as the East Kent Services Committee ('EKSC'). This title reflects the 'brand' of the delivery organisation of most of the shared services.
- 3.2 The proposed procedure rules for EKSC appear in Schedule 2. They will be broadly familiar to members deriving from the Executive procedure rules under which, in similar ways, all Executives currently work. However this Committee works under the principles of the Local Government Act 1972 as amended, making reference where needed to the changes brought about by the Local Government Act 2000.
- 3.3 The operating arrangements will, having been approved by the constituent councils, in the event of conflict, have priority. Within the bounds of those operating arrangements and the law, the EKSC can agree its own procedure.
- 3.4 These procedure rules can be kept under review and amended if necessary.
- 3.5 Members will note the revised arrangements are proposed to be effective from 10.30am on 11 February 2015 subject to all parties making similar decisions. The reason for the precise date and time is that we must ensure the continuity of the delegations between the previous arrangements and the new ones. The date and time mentioned are those of the first meeting of the new joint committee and thus continuity can be preserved.

4.0 Scrutiny Arrangements

- 4.1 In 2012 it was agreed that the East Kent Joint Scrutiny Committee be dissolved and that future scrutiny should be carried out by the scrutiny committees of the individual participating councils. At the time it was resolved that the scrutiny committees of the individual councils arrange to meet on a regular basis to discuss issues of mutual interest. This has not happened but the proposed scrutiny protocol at Schedule 3 recognises the need for some co-ordination of activity.
- 4.2 Further the protocol will establish the required common understanding of how the call-in process will work for all parties, even though only one of them may have actually called a particular decision in. Notwithstanding the possibility of call-in the protocol encourages the inclusion of business from EKSC in the work programme of the scrutiny committees of the individual parties to allow for pre-decision.

5.0 The Proposed Collaboration Agreement

- 5.1 The proposed Collaboration Agreement will incorporate the following features.
- 5.2 The structure of the proposed Collaboration retains many of the attributes (and actual clauses) of the earlier collaboration agreements. The proposed Collaboration Agreement will take as its theme and carry forward the collaboration objectives and partnership values set out in the existing arrangements as appearing at Schedule 4.
- 5.3 The main variations and features from the existing governance arrangements are as follows:
- The arrangements for EKHR and EKS are drawn together into one agreement.
 - The East Kent Forum is given a formal role in decision making when sitting as the East Kent Services Board. It should however be noted that the Board does not become a collective decision making body. Decisions at this level will only be possible where there is unanimity amongst the membership of the Board. In default, decisions will need to be abandoned or referred to the East Kent Services Committee.
 - Dover District Council remains the host authority for EKHR. Thanet District Council remains the host authority for EKS. In order to align the management of the two services it is proposed that Dover District Council should create a post of Director of Collaborative Services on its establishment who would hold the delegations relating to the human resources functions and manage the service.
 - It is envisaged that the individual appointed to the Dover post of Director of Collaborative Services will be the same individual who occupies the Thanet post of Director of Shared Services. The Director of Collaborative Services will not be a paid employee of Dover District Council. Rather, Thanet District Council will make available the services of the Director of Shared Services to Dover in order to fulfil the functions of the Dover post. This arrangement is expressly contemplated by Section 113 of the Local Government Act 1972,
 - Under the revised arrangements the Director of Collaborative Services/Director of Shared Services (assumed in practice to be the same person) as the holder of the delegations for all shared services functions would report to the East Kent Services Committee.

- The financial impact of the proposed collaboration agreement has been assessed as cost neutral.

6.0 Next Steps

- 6.1 As previously agreed by the councils the approval of this report will wind up the previous governance arrangements for East Kent Services and the East Kent Human Resources Partnership, will align the governance and management arrangements under new governance arrangements which will include only those councils now sharing services.
- 6.2 That the East Kent Services Committee approve, the onward delegations to each of the Director of Collaborative Services and the Director of Shared Services the arrangements for the discharge of functions and delegations to the Committee contained in Schedule 5 to this report.
- 6.3 That each Council will take this matter to both its Cabinet and Council meetings as shown below:-

Canterbury City Council

Cabinet 11 December 2014

Council 8 January 2015

Dover District Council

Cabinet 5 January 2014

Council 28 January 2015

Thanet District Council

Cabinet 20 January 2015

Council 5 February 2015

7.0 Options

- 7.1 To approve the proposed arrangements and collaboration agreement
- 7.2 To retain the status quo and continue with existing committee arrangements and the separate collaboration agreements for EKHR and EKS.
- 7.3 To approve the revised committee structure only and continue with the separate collaboration agreements for EKHR and EKS.
- 7.4 Examine a corporate delivery vehicle.
- 7.5 To bring all services under one host authority.

8.0 Corporate Implications

8.1 Financial and VAT

8.1.1 None

8.2 Legal

8.2.1 The arrangements and collaboration agreement are in accordance with legislation and are considered to be lawful, robust and workable.

9.0 Conclusions

These arrangements give effect to the decisions taken in 2012. The proposed collaboration agreement aligns the management arrangements for the two services and provides service continuity

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10.0 Corporate

10.1 Relevant Council Documents

Attached as Schedules 1 to 5.

10.2 Consultation planned or undertaken

Informal consultation with senior managers affected.

11.0 Equity and Equalities

11.1 Aside from any matters already mentioned in relation to this matter in this report there are no additional relevant matters.

12.0 Recommendation

12.1 To agree option 7.1 above and that each Cabinet agree and approve and recommend to each Council:

- (1) To approve the operating arrangements, terms of reference and rules of procedure at Schedules 1 and 2 for a new joint committee to be known as the East Kent Services Committee.
- (2) To adopt the Protocol on Scrutiny of the East Kent Services Committee set out at Schedule 3.
- (3) To reaffirm the collaboration objectives and partnership values set out at Schedule 4.
- (4) That each Council (with the approval of each executive) appoints two executive members and two substitute executive members to the East Kent

Services Committee. Thereafter each Council to appoint members in accordance with its own constitution.

- (5) To Approve the arrangements for the discharge of functions and delegations contained in Schedule 5 to this report.
- (6) To authorise their respective Chief Executives to discharge the powers and functions as described in the section of this report headed “The Proposed Collaboration Agreement” together with any other functions as may be appropriate to ascribe to them in the proposed collaboration agreement.
- (7) That the revised arrangements at 1 to 6 above, are effective from 10:30 am on 11 February 2015 subject to the Cabinets and Councils of each of the authorities having made the decisions set out at 1 to 8 in identical terms.
- (8) To authorise the respective chief executives to approve on behalf of their respective councils a collaboration agreements incorporating the above resolutions and any other necessary terms to the ensure efficient and equitable delivery of the collaboration objectives and partnership values as set out in this report.

13.0 Decision Making Process

13.1 These matters are within the authority of the executive and the Council of each of the authorities of Canterbury City, Dover District and Thanet District.

13.2 That Dover District Council will:-

- (1) Create the Chief Officer post (without employment) of Director of Collaborative Services and accept the services of the Director of EK Services for the purposes of exercising the functions of that post pursuant to section 113 Local Government Act 1972.
- (2) Acting pursuant to section 111 Local Government Act 1972 (and all other powers so enabling), place the services of the Director of EK Services at the disposal of the EKSC for the purpose of discharging the functions of the Director of EK Services as defined in the proposed collaboration agreement.

13.3 That Thanet District Council will:-

- (1) Make the services of its employee, the Director of East Kent Services available to Dover District Council pursuant to section 113 Local Government Act 1972 for the purposes of exercising the functions of Director of Collaborative Services.
- (2) Acting pursuant to section 111 Local Government Act 1972 (and all other powers so enabling), place the services of the Director of EK Services at the disposal of the EKSC for the purpose of discharging the functions of the Director of EK Services as defined in the proposed collaboration agreement.

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Reporting to:	Madeline Homer, Acting Chief Executive

Annex List

Schedule 1	East Kent Services Operating Arrangements
Schedule 2	East Kent Services Committee Procedure Rules
Schedule 3	Protocol on the Scrutiny of the East Kent Services Committee
Schedule 4	The Collaboration Objectives and the Partnership Values
Schedule 5	Arrangements for the Discharge of Functions and Delegations

Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation Undertaken

Human Resources	EK Human Resources
Finance	Paul Cook – Interim Director of Corporate & Regulatory Services
Legal	Steven Boyle – Interim Legal Services Manager & Monitoring Officer