
REVIEW OF EAST KENT JOINT ARRANGEMENTS

To: **Council – 6 December 2012**

Main Portfolio Area: **Corporate Regulatory and Strategic Economic Development Services**

By: **Harvey Patterson, Corporate & Regulatory Services Manager**

Classification: **Unrestricted**

Ward: **N/A**

Summary: To recommend to Council the dissolution of the East Kent Joint Arrangements Committee and the East Kent Joint Scrutiny Committee with effect from the date of establishment of a replacement joint Committee comprising Thanet District Council, Canterbury City Council and Dover District Council.

For Decision

1.0 Introduction and Background

1.1 The East Kent Joint arrangements Committee (EKJAC) and East Kent Joint Scrutiny Committee (EKJSC) were formed in June 2008 as part of a plan to develop shared working across East Kent with the participation of the Thanet District Council, Canterbury City Council, Dover District Council, Shepway District Council and Kent County Council. These arrangements envisaged that EKJAC would have a strategic role in overseeing the development of business cases for the various shared services work streams and then a management and monitoring role as services became shared. EKJAC subsequently oversaw proposals for sharing revenues and benefits, information technology, customer contact centres, housing management, human resources and waste collection/recycling. In turn, it was initially intended that EKJSC, would review and scrutinise the various business cases and thereafter scrutinise the services that were shared - but without prejudice to the rights and powers of the relevant Scrutiny Committees of each of the participating Councils.

1.2 EKJAC presided over the establishment of the following shared services:-

East Kent Services (EKS)

1.3 This is a joint service hosted by Thanet District Council and managed by the Director of Shared Services. It provides revenues and benefits, information technology and customer contact services to Thanet District Council, Canterbury City Council and Dover District Council. It reports directly to EKJAC and EKJAC has delegated the relevant powers required to deliver its services to the EKS Director of Shared Services.

East Kent Human Resources Partnership (EKHRP)

1.4 EKHRP is a joint service hosted by Dover District Council and managed by the Head of the East Kent Human Resources Partnership originally providing human resources and internal health & safety services to Thanet District Council, Canterbury City Council, Dover District Council and Shepway District Council. However, Shepway withdrew with effect from 31 March 2012. Although Dover District Council remains the host authority, the Human Resource Partnership is closely aligned to EKS as the Head of the East Kent

Human Resources Partnership now reports to the Director of Shared Services and has joined the EKS Management Team.

East Kent Housing (EKH)

- 1.5 EKH is an Arms Length Management (ALMO) providing housing management services to Thanet District Council, Canterbury City Council, Dover District Council and Shepway District Council. Having been established as a company limited by guarantee under the direction of EKJAC, it now has its own independent management arrangements with its board of management comprising independent directors as well as tenants' representatives and elected councillors. The four Councils exercise ownership of the company through an Owner's Committee regulated by an Owners Agreement. However, the Committee has no role in the day to day management of the housing stocks of the four Councils.

Joint Waste

- 1.6 EKJAC has overseen the development of arrangements across East Kent in relation to waste collection and recycling. The four district Councils and KCC have signed up to a five way agreement intended to set the strategic direction for the management of waste and recycling across East Kent which amongst other things committed the district Councils to a single method of collection of waste and recyclables known as the Nominal Operating Model or "NOM". Whilst the aspiration developed by EKJAC was to move towards a single East Kent Waste Collection contract, existing arrangements make this more complex due to differing contract end dates and Thanet operating an in-house service. So far Dover and Shepway have tendered and awarded a joint waste collection contract and Canterbury is in the process of re-tendering its waste collection service. Thanet's position is to maintain a watching brief and benchmark in house service costs against the outsourced costs of the three other Authorities.

2.0 The Need for EKJAC

- 2.1 A review of EKJAC (and EKJSC) was carried out by former district council Chief Executive, Mr Douglas Bradbury, early in 2010 and his report was approved by EKJAC on 19 May 2010. In summary, the amendments to the Term of Reference of EKJAC and EKJSC agreed at that meeting had the intention of strengthening the governance of EKJAC and EKJSC in order to drive through an ambitious shared services programme where it was conceived that the majority of district Council services would be considered for sharing and that any service could be shared if two or more Councils agreed to proceed. However, over the course of the previous 18 months the appetite of the four East Kent District Councils for an ongoing programme of shared services has diminished in favour of a more ad hoc and selective approach. Indeed, Shepway not only took the decision not to participate in the sharing of the various services now carried out by EKS but, as noted above, also decided to withdraw from the EKHRP.
- 2.2 These developments have called into question the continuation of EKJAC in its current form, particularly as each of the East Kent Council's has the right to be represented at meetings of EKJAC and those representatives are legally entitled to speak and vote on all items on the agenda regardless of whether it involves or affects their Council. Although to date this kind of interference has never happened in practice, it could conceivably happen at any time. However, if EKJAC is to be dissolved by the agreement of the five participating Councils, there is a need to develop replacement governance arrangements to take effect no later than the date of dissolution of EKJAC so as to ensure the smooth continuation of the services jointly delivered to TDC, Canterbury City Council and Dover District by EKS and the EKHRP.
- 2.3 Consequently, on 20 June 2012 EKJAC considered an agreed a report containing broadly similar recommendations to those set out in the paragraphs 8.1 to 8.3 below.

3.0 The need for EKJSC

- 3.1 If EKJAC is to be dissolved, consideration also needs to be given to the future of EKJSC. In this regard, as it is considered that the overview and scrutiny of current and future shared service arrangements can be discharged by the statutory scrutiny committees of the participating Councils, it is recommended that EKJSC is also dissolved on the same date as EKJAC.

4.0 Consequences of Dissolution

- 4.1 As mentioned above, there will be need for Thanet District Council, Canterbury City Council and Dover District Council to develop new governance arrangements to ensure the smooth continuation of the services provided to the three Councils by EKS and the EKHRP. In essence, as both Canterbury and Dover have previously rejected delivering the services provided by EKS through a limited company, the preferred solution is to create a new joint committee comprising only of elected representatives of the three Councils. In so doing it is intended that the duties and powers currently delegated to EKJAC and exercised by the Director of Shared Services and Head of the EKHRP should pass smoothly to the new joint committee.

5.0 Other Participating Councils

- 5.1 Canterbury City Council and Dover District Council have passed resolutions in the form set out at paragraph 8 below. Shepway District Council has simply resolved to dissolve EKJAC and Kent County Council is expected to resolve in similar terms to Shepway in the coming weeks.

6.0 Wider East Kent Collaboration

- 6.1 It is important to emphasise that the dissolution of EKJAC should not have any adverse impact on the broader East Kent collaboration arrangements such as the East Kent Forum, the East Kent Leaders and Chief Executives meetings or the East Kent Regeneration Board.

7.0 Cabinet consideration

Cabinet considered this report on 8 November 2012 and made the recommendations set out at paragraph 9.0 below.

8.0 Corporate Implications

8.1 Financial and VAT

- 8.1.1 There are no financial implications arising from the report as there are no external costs associated with the dissolution of EKJAC and EKJSC and the costs of establishing a new joint committee can be met from within existing resources.

8.2 Legal

- 8.2.1 As set out in the report.

8.3 Corporate

- 8.3.1 The dissolution of EKJAC and its replacement by a joint Committee between TDC, Canterbury and Dover will ensure the smooth continuation of the services provided by EKS and the EKHRP including the administration by EKS of Housing and Council Tax Benefit which service directly contributes to Priority 2 of the Thanet Corporate Plan 2012/16 - tackling disadvantage across the district.

8.4 Equalities

- 8.4.1 As this report only proposes revised administrative arrangements to secure the continuation of existing shared services to existing performance standards, it is considered that the Public Sector Equality Duty is not engaged.

9.0 Recommendation(s)

Cabinet recommends to Council:-

- 9.1 That the East Kent Joint Arrangements Committee and the East Kent Joint Scrutiny Committee be dissolved with effect from the date of the establishment of the Committee referred to in paragraph 8.2 below.
- 9.2 That operating arrangements for a Committee relating to functions shared by Canterbury City Council, Dover District Council and Thanet District Council ('the Continuing Councils') be drafted by the respective Heads of Legal and be submitted to the Continuing Councils for approval with scrutiny being undertaken by the scrutiny committees of the Continuing Councils. Kent County Council and Shepway District Council are to be notified of the date of establishment of the new Committee.
- 9.3 That all agreements or arrangements which may need to remain in effect after the dissolution of EKJAC be reviewed by the Heads of Legal of all the Participating councils and they be delegated the power by their respective Councils that if relevant to them they agree the continuation of those matters in such form as they think appropriate.

10.0 Decision Making Process

- 10.1 EKJAC and any successor Joint Committee are Council Joint Committees and therefore full Council is responsible for taking the final decisions on these arrangements. Council will consider the recommendations of Cabinet on 6 December 2012.

Contact Officer:	Harvey Patterson, Corporate & Regulatory Services Manager, ext 7005
Reporting to:	Philip Hamberger, Director of Corporate Services and Transformation, ext 7232

Background Papers

Title	Details of where to access copy
Report to EKJAC – 20 June 2012	<i>Modern.Gov</i>

Corporate Consultation Undertaken

Finance	Sarah Martin, Financial Services Manager
Legal	N/A
Communications	Hannah Thorpe, Acting Corporate Information Manager