

AGENDA MANAGEMENT SHEET

Name of Committee Council
Date of Committee 12th December 2006
Report Title Enhanced Two-Tier Status in Warwickshire

Summary This report provides an outline of the approach being proposed for Warwickshire County Council in preparation for a bid to become a Pathfinder for Enhanced Two-Tier status.

For further information please contact:

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Would the recommended decision be contrary to the Budget and Policy Framework? No.

Background papers *The Local Government White Paper, 'Strong and Prosperous Communities' - A Summary of the Key Messages and Implications for Warwickshire County Council – Briefing for Council on 31/10/06*

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees Leaders Liaison Group on 30/11/06
- Local Member(s)
- Other Elected Members
- Cabinet Member
- Chief Executive
- Legal
- Finance
- Other Chief Officers SDMT on 22/11/06
- District Councils

Health Authority

Police

Other Bodies/Individuals

FINAL DECISION

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by
this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

Council - 12th December 2006.

Enhanced Two-Tier Status in Warwickshire

Report of the Chief Executive and the Enhanced Two-Tier Steering Group

Recommendation

Council is recommended to: -

- Endorse the proposed approach as the basis for development of a bid for Enhanced Two-Tier Pathfinder status
- Consider the illustrative proposal of services (as set out in Appendix 1) which could be delivered through Enhanced Two-Tier status

1.0 Background

1.1 Following the publication of the Local Government White Paper and the associated, 'Invitation to all Councils in England', Leaders Liaison Group on 9th November agreed that Warwickshire County Council would support a bid to become a Pathfinder for Enhanced Two-Tier status.

1.2 Under the Government guidelines the bid must address the following aims and criteria:

Aims

- **To provide stronger leadership for place shaping** (*see Section 3.0*)
- **To provide effective accountability arrangements so that people know who is responsible for what decision** (*see Section 3.0*)
- **To deliver unified service delivery, with service users having no need to understand whether the county, district, or indeed other service provider is responsible** (*see Section 4.0*)
- **To utilise shared back office functions and integrated service delivery mechanisms.** (*see Section 4.0*)

Criteria

- Supported by all six authorities within Warwickshire
- Supported by a broad cross section of partners and stakeholders
- Will provide strong, effective and accountable strategic leadership
- Will deliver genuine opportunities for neighbourhood flexibility and empowerment (devolution of power to communities)
- Will deliver value for money and equity on public services

1.3 This paper presents Council with an outline of the approach being taken to addressing the above 'Aims' in the development of a bid for 'Enhanced Two-Tier' status.

1.4 A summary of the White Paper and the Invitation to all Councils in England can be found on the Department of Communities & Local Government (DCLG) website using the following links:

<http://www.communities.gov.uk/index.asp?id=1503999>

<http://www.communities.gov.uk/index.asp?id=1504067>

2.0 Project arrangements

2.1 The bid for Pathfinder status is being coordinated by a Steering Group and Project Team from Warwickshire County Council, the membership of which is set out below:

Steering group	David Carter, Dave Clarke, John Deegan, Monica Fogarty
Project team	
Coordinator	Gereint Stoneman
Governance	Greta Needham/Sarah Duxbury
Finance	Chris Juckes
LAA/Localities	Nick Gower Johnson/Bill Basra
	Andy Cowan

2.2 The Steering Group and Project Team members will support the Chief Executive and Members in liaising with representatives from the District/Borough and our partner agencies to establish commitment to the bid.

2.3 The following key milestones and decision points between now and the 25th January are set out below:

Key milestones	Date
Initial approach considered by:	
▪ Warwickshire Association of Chief Executives	5 th December
▪ Local Council Leaders	5 th December
▪ SDMT	6 th December
▪ Full Council	12 th December
▪ LAA Steering Group	21 st December
Final bid considered by:	
▪ SDMT	10 th January
▪ Cabinet	11 th January
▪ Special Council meeting	Mid/Late January
Deadline for submission of the Pathfinder bid	25th Jan

- 2.4 In adopting the Project Management principles, consideration has been given to the Christmas/New Year period as considerable work needs to be undertaken in a short space of time to produce a business case and bid.
- 2.5 The support of SDMT, Members, Directorates and our partners throughout the application process will therefore be crucial to our ability to submit an agreed bid by 25th January 2007.
- 2.6 A note of any significant issues raised by the District and Borough Councils on 5th December will be circulated to members before the Council meeting on 12th December. In addition, Leaders Liaison Group has requested that any bid for Pathfinder status is considered by full Council before submission.

3.0 Stronger leadership and effective accountability

3.1 The need for effective, joint governance arrangements both now and in the future is seen as critical to the effectiveness of Enhanced Two-Tier working. This need is also aligned to the supporting principles of the recently endorsed governance arrangements for the Warwickshire LAA which are designed to deliver:

- Streamlined governance arrangements at a county, district and local level with clear lines of accountability
- Fewer partnership bodies in existence across all LAA themes resulting in significant efficiencies
- A coordinated approach to the development of priorities and to the joint delivery of services
- The public sector agencies presenting as 'one face' for the customer
- A coherent and consistent approach to joint decision making across all public sector agencies
- Timely decisions being made at the right level
- The pooling of budgets and allocation of resources according to need
- A unified approach to issues such as performance management, risk management and information sharing

3.2 In Warwickshire, over time these benefits might be enhanced further through the creation of a 'unitarised public service vehicle' comprising of:

- Joint oversight and accountability arrangements
- Strengthened, shared executive arrangements
- Joint commissioning arrangements
- Joint scrutiny arrangements
- Maximised Community involvement
- Services delivered at the most appropriate level

- 3.3 Such proposals are considerable and will need to be the subject of wider consultation and consideration with our key stakeholders.
- 3.4 The Strategic Directors Management Team (SDMT) on 22nd November therefore endorsed the adoption of the LAA governance model as the basis for developing governance arrangements in the first instance.
- 3.5 Warwickshire Chief Executives and Leaders met on 5th December to discuss this proposition and an update will be provided, as appropriate to Council, as indicated in para 2.6.
- 3.6 As a point of principle there will also be a need to regularly review the governance and management structures for shared service delivery arrangements. This will however, become absolutely imperative in the event that the Government assumes, through the publication of the findings of the Comprehensive Spending Review (CSR) in Spring 2007, that Two-Tier authorities should be generating the same level of efficiency savings as unitary authorities.

4.0 Unified service delivery

4.1 The development of a 'Unified service delivery model', which drives efficiency through shared back office functions and ensures that service users do not need to understand whether the county, district, or indeed other service provider is responsible for delivery, presents both challenge and opportunity to Warwickshire.

4.2 Under the proposals of the Local Government White paper, the following named partners will be under a duty to cooperate with each other to agree relevant targets in the LAA and to (in the majority) participate in the Overview & Scrutiny process:

- | | | | |
|----------------------------------|---------------------------------|--|------------------------------------|
| • Upper tier or Unitary Councils | • Youth Offending Teams | • Jobcentre plus | • The Environment Agency |
| • District Councils | • Primary Care Trusts | • Health & Safety Executive | • Natural England |
| • Chief Officer of Police | • The Learning & Skills Council | • Fire & Rescue Authorities | • National Park Authorities |
| • Police Authorities | • NHS Health Trusts | • The Highways Agency | • The Broads Authority |
| • Local Probation Boards | • NHS Foundation Trusts | • Metropolitan Passenger Transport Authorities | • Joint Waste Disposal Authorities |

4.3 It is therefore essential that any bid for Enhanced-Two-Tier status reflects a commitment to working with the partners listed above to encourage enhancements in service delivery and move towards the integration of all public services over the longer-term.

- 4.4 In support of this goal the table in **Appendix 1** provides an illustrative set of both service and back office proposals which when initially approached, officers felt could deliver considerable benefits in terms of efficiency and effectiveness through shared delivery.
- 4.5 These proposals have been based upon the current configuration within the County and District/Borough Councils and have been aligned to the LAA Blocks.
- 4.6 The development of the detail, which will support each proposal, is recognised as an iterative process and the full set is therefore liable to further amendment and revision as the bid is developed.
- 4.7 The commitment of our partners to these proposals is yet to be established, but the list is offered as a starting point for discussions.
- 4.8 In addition to these enhancements the Steering Group has noted that there will also be an opportunity to enhance future Community Engagement and Management structures (related to any change in governance arrangements), in the medium term.

5.0 Financial modelling

- 5.1 The Department for Communities & Local Government (DCLG) has set out specific guidance for the financial modelling of all bids for unitary status.
- 5.2 No equivalent financial guidance has been issued for the submission of proposals for Enhanced Two-Tier Pathfinder authorities. However initial analysis suggests that the financial information required to evidence the benefits of any proposed enhancements to the Two-Tier structure would utilise a very similar set of data.
- 5.3 The concept supporting this financial framework is that it will be akin to a medium financial strategy, enabling the transition to a unitary to be understood in terms of the effect on individual council's general funds, housing revenue accounts and capital plans.
- 5.4 The financial framework captures the costs of services provided by each council included or affected by the application for unitary status. Information will need to be provided by all six councils in Warwickshire to ensure consistency of approach.
- 5.5 It is therefore proposed that the funding model is completed by the Resources Directorate, and it is hoped that this will be done with the cooperation of the District and Borough councils.

6.0 Engagement with District/Boroughs

- 6.1 It is crucial that the bid to become a Pathfinder for 'Enhanced Two-Tier is supported by the County and District/Borough Councils.
- 6.2 As mentioned in Section 2.0 on 5th December Warwickshire Chief Executives and Leaders met on 5th December to begin this process of engagement and establish commitment to the proposed bid and approach, as outlined in this paper.

7.0 Recommendations

- 7.1 Council is recommended to: -
- Endorse the proposed approach as the basis for development of a bid for Enhanced Two-Tier Pathfinder status
 - Consider the illustrative proposal of services (as set out in Appendix 1) which could be delivered through Enhanced Two-Tier status

Jim Graham
Shire Hall
Warwick
12th December 2006

Appendix 1 – Summary of Enhanced Two-Tier Proposals (as at 29/11/06)

Ref	Enhancement Proposals	Summary of proposition	Related LAA Block (Including cross service & back office integration)	Partners					
				WCC		District/ Borough	Police	Health	Other agencies
				County Council	Schools				
i.	Increased collaboration with Schools, incl. integration of leisure facilities	To establish a coherent and coordinated approach to the development of opportunities for all the County's children and young people.	Children & Young People	✓	✓	✓	✓	✓	✓
ii.	Car parking & Street Scene Executive	To establish an Executive body to exercise local authority (on & off street) car parking & street scene activities in Warwickshire.	Stronger Communities	✓		✓			
iii.	Gypsies and Traveller services	To exercise local authority responsibilities for Gypsies and Travellers		✓		✓			
iv.	Safer Neighbourhood/ Localities working	To establish a coherent approach to community engagement, service delivery and governance in localities throughout Warwickshire	Safer Communities	✓	✓	✓	✓	✓	✓
v.	Integrated Trading Standards and Environmental Health service	TBC		✓		✓			
vi.	Integrated Community Protection and Response Teams	TBC		✓		✓	✓		
vii.	Integrated provision of housing and social care for vulnerable people	TBC	Healthier Communities & Older People	✓		✓	✓	✓	
viii.	Preventative Services for Older People	To exercise all local authority preventative services functions (e.g. benefit advice, community outreach, hospital discharge, advice and information, community based screening etc).		✓		✓		✓	

Ref	Enhancement Proposals	Summary of proposition	Related LAA Block (Including cross service & back office integration)	Partners					
				WCC		District/ Borough	Police	Health	Other agencies
				County Council	Schools				
ix.	Economic Development & Business Forum	To establish a Forum with appointed representatives of County & Borough/District members to advise on policy for the distribution of Local Authority Business Growth Incentive (LABGI) grant and the management of Inward Investment; Business Support; Marketing & Promotion; Business Premises in Warwickshire.	Economic Development & Enterprise	✓		✓			✓
x.	Tourism Executive	Establish an Executive body to manage the joint local authority budgets and seconded staff engaged in marketing and managing tourism and related activities in Warwickshire.		✓		✓			✓
xi.	Waste Management Executive	Establish an Executive Waste Management body to exercise all local authority statutory waste (disposal and collection) management functions in Warwickshire.	Climate Change & Environment	✓		✓			✓
xii.	Integrated Financial services	Shared provision of an integrated financial system covering the whole financial process from procurement through to payment as well as provision of a shared payroll service.	Cross-service & Back office integration	✓	✓	✓	✓		
xiii.	Shared HR service	To establish a shared platform for the delivery of transactional HR tasks associated with the recruitment process, issuing contracts of employment, payroll processing HR tasks for county, district and parish councils.		✓	✓	✓			
xiv.	Integrated revenue & benefits service	To unify the collection of council tax and business rates, together with the administration of benefits systems that operate in each of the five District/Borough councils. It is accepted that collection will still need to be provided locally but back office processing will become a single county wide service.				✓			
xv.	Integrated Customer Service Centre, One Stop Shop and web service delivery	To increase the number of joint service delivery opportunities across the County to support the delivery of shared services.		✓	✓	✓	✓	✓	✓

Ref	Enhancement Proposals	Summary of proposition	Related LAA Block (Including cross service & back office integration)	Partners					
				WCC		District/ Borough	Police	Health	Other agencies
				County Council	Schools				
xvi.	Integrated ICT systems incl. Integrated Customer Relationship Management (CRM) systems	TBC	Cross-service & Back office integration	✓		✓			
xvii.	Integrated Property maintenance, incl. housing	To establish arrangements for joint procurement of property maintenance services from the private sector alongside common standards to ensure a consistent Landlord and risk management function		✓	✓	✓			
xviii.	Integrated procurement	To establish arrangements for joint procurement of goods and services across all six councils in Warwickshire.		✓	✓	✓			