

Establishment of Strategic Alliance between South Somerset and Sedgemoor District Councils

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Purpose of the Report

This report puts forward work streams and ways of joint working that can be explored as part of the Strategic Alliance with Sedgemoor District Council.

Public Interest

South Somerset District Council agreed to work with Sedgemoor District Council to form a Strategic Alliance with a view to contributing to efficiency savings, exerting influence and creating resilience. This report informs elected members about the work done to date and seeks approval for next steps.

Recommendations

Members are requested to:-

1. Note the progress made by the South Somerset Working Group in creating a Strategic Alliance with Sedgemoor District Council;
2. Note the agreed joint protocol for recruitment by both authorities;
3. Approve the work streams as outlined in sections 3.2 and 3.3 of this report;
4. Approve the high level route map attached in Appendix 1.

1. Background

1.1 Members will recall that between October 2015 and February 2016 both South Somerset and Sedgemoor District Councils undertook the development of business cases to explore the opportunities of joint working. The conclusion of this work was the resolution to continue work to explore the establishment of a strategic alliance between the partners.

1.2 This alliance would be developed to generate efficiencies and savings either by reducing costs or increasing income, strengthening resilience for the partners and increasing their joint voice nationally and regionally. The resolutions agreed by Council on 25th February 2016 are provided below:

- 1.2.1 not to create a Joint Authority at this time;

- 1.2.2 to request that the Working Group investigates a Strategic Alliance between the two authorities and brings forward proposals for the scope of such an alliance to Full Council in May 2016;
- 1.2.3 to retain the Joint Leaders Advisory Group to drive and monitor progress on the creation and implementation of a Strategic Alliance;
- 1.2.4 to review the proposals again against the emerging regional situation in December 2016;
- 1.2.5 that initial priorities for inclusion in any strategic alliance are:
 - A Joint Income Generation Board to generate ideas and seek potential joint initiatives.
 - To continue monitoring of opportunities across the two authorities so that, where possible, vacant posts are filled in either council without the need for external recruitment.
 - A review of potential opportunities for alternative means of service delivery that would be unaffected by the scope of transformation.

2. Progress to date

- 2.1 Since the resolutions were passed in late February preliminary work has been undertaken to explore opportunities and identify areas in which the alliance could be most meaningful. This work takes into account the three initial priorities in 1.2.5 above.
- 2.2 The Joint Leaders Advisory Group (JLAG) considered that in order to develop a meaningful strategic alliance both parties need to agree two key things, what they wish to work together on and how they will ensure that the operational infrastructure is in place to deliver it. Both of these issues are explored more fully in sections 3 and 4.
- 2.3 Consideration has also been given to work that is ongoing in each of the authorities, particularly where income through trading is being increased or companies are being established to enable service expansion or diversification.
- 2.4 In summary the group believes there are three key work-streams.
 - Look at what we do well now and do more of it
 - Realise opportunities and sell, either assets or services
 - Realise opportunities and develop, either assets or services

3. Key Areas to Develop a Strategic Alliance

- 3.1 The creation of a strategic alliance could have the potential to strengthen each partner without the need for whole scale restructuring. Discussions within the group have concluded that greatest benefit could be achieved by identifying a small number of primary work packages rather than seeking to address a wide menu of service areas. These primary work packages would be those on which the alliance would be judged. In addition they could be supplemented by a number, again small, of secondary work streams which may be more opportunistic or lower profile in nature.
- 3.2 Primary work streams – The key area that has been identified in the past is the focus on income generation. The aim of each would be to either increase income generation potential or reduce the net cost of each authority.

- Housing development and lettings – establishment of a company structure to support this.
- Expansion of the trading opportunities for services delivered by the Sedgemoor clean surrounds and South Somerset street scene teams.
- Explore joint opportunities to work with an energy company to become a local energy supplier.

3.3 Secondary work streams – these have the same priority but perhaps more operational; they could include

- Joint response to consultation documents
- Sharing specialist plant and vehicles
- Procurement

3.4 The JLAG felt that clear plans including a route map should be developed. This would also include the identification of resources and targets against success would be managed. A high level route map has been developed (Appendix1).

4. Sharing and Resilience

4.1 During the work on the business cases it was recognised that benefits could be achieved in the two workforces working more closely together. This does not require a full review of structures or bringing those structures together in a new form. However, both councils are facing financial challenges and risks to their resilience. As a consequence a protocol (Appendix 2) for filling vacant posts was agreed to allow for the sharing of expertise and also to give greater protection and opportunity for staff. In order for the strategic alliance to gain traction and recognition by staff, it is recommended that joint protocols or agreements be developed to support closer working and reduce duplication.

4.2 By developing a range of protocols it is hoped that officers' confidence in the alliance would be strengthened. This could include

- Recruitment
- Training
- Sharing best practice
- Sharing specialist officers, e.g. drainage, conservation, risk, procurement, scrutiny

All of the above should support increased resilience between the partners.

4.3 In addition it is recommended that both strategic / extended management teams (including Group Managers and Assistant Directors) meet quarterly to discuss key issues and share experience. Again this should increase trust, allow for sharing of experience, thinking and resources and therefore enhance resilience and strengthen the voice of the alliance.

4.4 Currently both authorities have member and officer boards to deal with key priorities.

South Somerset District Council has three boards:-

- Regeneration Board
- Income Generation Board
- Transformation Board

Sedgemoor District Council has:-

- Income Generation
- Staff savings
- Third party expenditure

The JLAG would receive regular update reports from individual Council Boards.

A mechanism for involvement of staff of both authorities through a joint Income Generation Board will be established as agreed by Council (Section 1.2.5) JLAG will act as the potential clearing house for all potential opportunities for joint income generation decisions.

Financial Implications

There are no additional financial implications in scoping the projects that are set out in Appendix 1. Any costs will be kept to a minimum and found within existing budgets.

Council Plan Implications

None directly arising from this report.

Carbon Emissions and Climate Change Implications

None directly arising from this report.

Equality and Diversity Implications

See attached report – Appendix 3.

Privacy Impact Assessment

None directly arising from this report.

Background Papers

None.