

Subject: Enhanced Two Tier Working

Status: For Publication

Report to: The Cabinet

Date: 24th January 2007

Report of: Chief Executive

Portfolio

Holder: Leader of the Council

Key Decision: NO

Forward Plan
Relevant Box

General Exception

Special Urgency

"X"

In

1. PURPOSE OF REPORT

- 1.1 To inform members of the progress of discussions with other Lancashire Local authorities on proposals for enhanced two tier working, and the overall vision for enhanced two tier working.

2. CORPORATE PRIORITIES

- 2.1 The achievement of success in improving the arrangements for two tier working should impact positively on the achievement of all the corporate priorities

3. RISK ISSUES

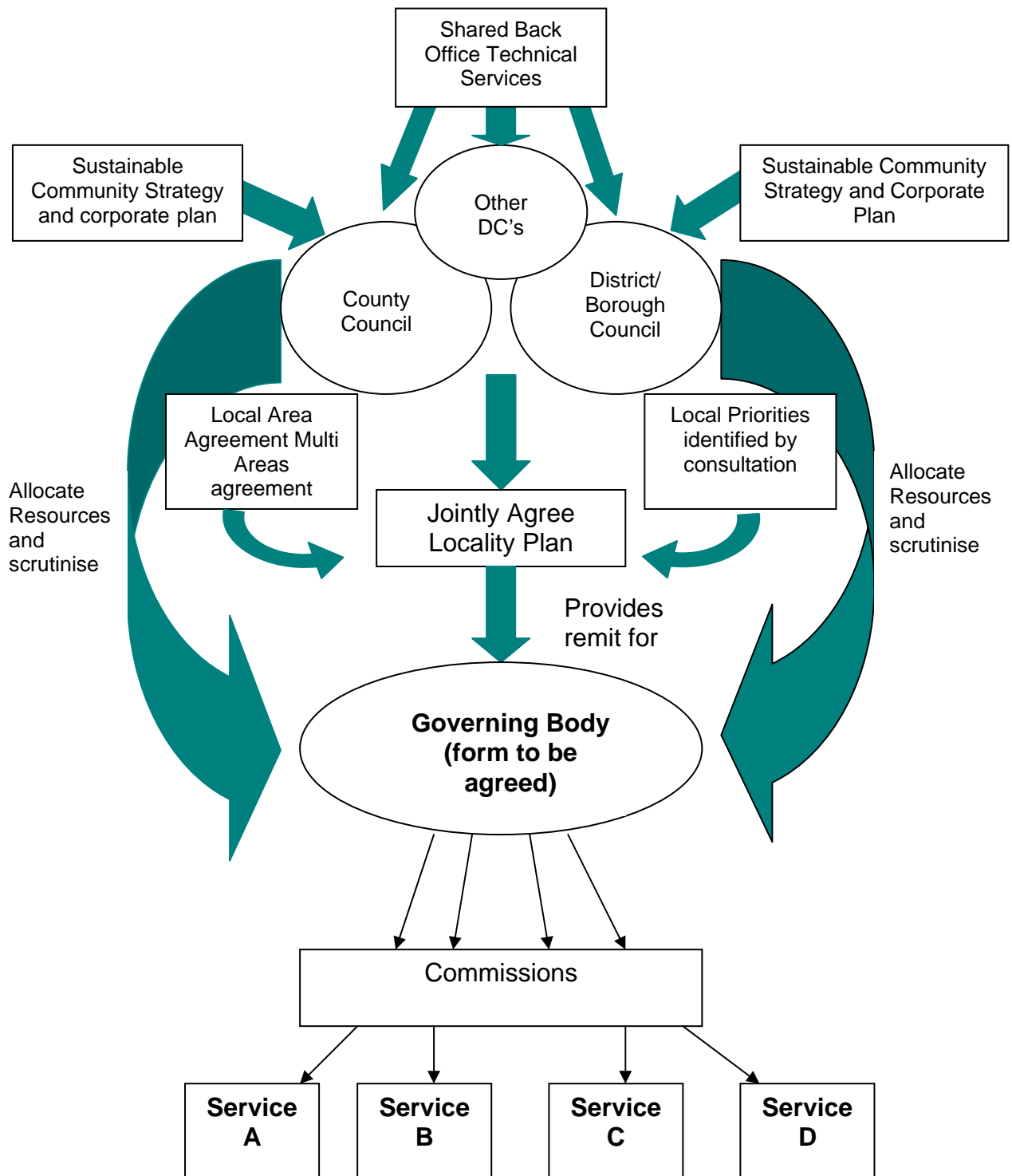
- 3.1 This report does not address specific risk issues as much of the work it describes is still only at the conceptual stage. There will however, be a range of risk issues which emerge once more detail is worked through.

4. BACKGROUND AND OPTIONS

- 4.1 Alongside the recent local government White Paper the Government issued two invitations to local authorities in shire areas;
- An invitation to submit bids to become unitary authorities members at Full Council have already expressed a view that this council should not participate in such a bid.
 - An invitation to all local authorities in a county area to work together to develop pathfinder projects for how enhanced two tier working can be developed. The consensus of views expressed at Full Council was unconvinced of the merits of a pathfinder.

- 4.2 Responses to both invitations are required by 25th January.
- 4.3 Alongside these invitations is a very clear statement that in areas which are not two tier pathfinders or new unitaries the status quo is not an option.
- 4.4 While the Government has not been prescriptive about what pathfinders will look like the invitations document and the White Paper give a number of clear pointers about the sort of things which are expected to be included.
- Shared back office and specialist frontline services to deliver economies of scale.
 - The ability for customers to access either County or District services through a single access channel.
 - Rationalisation of local authority assets through shared use.
 - Subject to permissive legislation the ability to create a unified “Cadre” (sic) of members and offices in an area.
- 4.5 Some commentary has described in this as unitary county council’s in shadow form, and it is true to say that the invitation has clearly been influenced by the work of the County Councils Network in this area. However, any pathfinder will have to command the support of all the local authorities in a county area and it therefore requires consensus and agreement between all parties as to what the scope of the pathfinder should be.
- 4.6 In Lancashire the Lancashire Leaders and Chief Executives Group have asked Chorley Borough Council’s Chief Executive to work up an outline of a pathfinder bid for submission. This process has been supported by a series of officer meetings including all Districts and the County, although given the unitary aspirations of some districts they have maintained a watching brief. The Executive Director of Resources has represented Rossendale at these meetings. Whether or not a pathfinder bid is submitted and whether or not it is successful this work has value in moving us beyond the status quo, which is clearly not an option. It is true to say that a number of district councils are unconvinced of the merits of a pathfinder over doing what has to be done anyway.
- 4.7 It is fair to say that there is a broad consensus among the officers who have participated in this work that the opportunity exists to improve services to the public through joining up the functions of the County and District Councils in some areas. However, what is less clear is any consensus on the governance arrangements that would be put in place as a result of this and how these might relate to the existing councils which would still be the relevant statutory authorities and be responsible for levying taxation to fund services. While these issues are ones of detail they are very significant detail in that they go to the heart of the accountability of elected officials to the electorate for the quality of local service delivery.

4.8 The diagram below tries to summaries the vision for what might be achieved.



- 4.9 The important step here is that there is a clear separation between specifying what should be delivered to meet local needs and actually delivering it the major reason why this is important is related to efficiency. To take highways as an example one of the key drivers for the County Council's recent changes to the DLO element of the highways Partnership was the fact that Lancashire County Engineering Services can as a single DLO deliver these functions much more cost effectively. This model allows that cost efficiency to be retained while exercising local control over the work on which the resource is deployed.
- 4.10 This sort of model also creates a structure where what are currently District Council or County Council resources can be put into combined teams to improve overall delivery. Key areas where this might be seen to be advantageous are Youth and Community Services and Sports Development.
- 4.11 This mechanism deals with the key visible front line services which might jointly delivered. The other area where it is clear that joining up might create efficiencies is in back office and specialist technical services. In this area different councils will probably want to take a more menu driven approach to take account, for instance of existing contractual arrangements. However, where such shared services are commissioned directly from another council such as the County Council there are already sufficient powers under the Local Authority Goods and Services Act for this to happen. It is also accepted among the officer group that aggregation at a cluster (East Lancashire) level for some of these functions (for example specialist conservation advice) rather than a county level might be appropriate.
- 4.12 The table below summarises the service areas where it is considered joint working would have benefits.

Front Line	Back Office/Technical
Streetscene/highways, although not all elements of highways can be part of such a framework. Youth and Community Services Welfare rights advice linked to revenues and benefits Libraries museums, arts and leisure Economic Development and Regeneration Customer Access Strategic Housing and Supporting People Neighbourhood Management/ Engagement	Regulatory Services – specialist functions Asset Management Revenue and Benefits Market Research consultation and PR Legal Services Technical elements of performance management ICT Human Resources Procurement Financial Services – some specific aspects Planning – specialist functions Disabled adaptations Workforce and member development

- 4.13 It is also felt that there is an opportunity to make better use of officer and member talent across Lancashire. For example this might mean a District officer being project manager for a joint project (such as the contact centre) or a District member being the spokesperson for the whole County on a specific issue.

4.14 There is much to be done to work out the details around how any scheme would work, and in particular the Governance arrangements. However, given the timescale imposed significant progress has been made and a remarkable degree of consensus has emerged. Once a firmer prospectus for change is available officers will arrange a briefing session for all members.

5. COMMENTS OF THE HEAD OF FINANCIAL SERVICES

5.1 There are no specific financial implications at this stage. However, clearly implementation of any proposal on these lines would have significant impact on financial management arrangements which will need to be worked through at the next stage.

6. COMMENTS OF THE HEAD OF LEGAL AND DEMOCRATIC SERVICES

6.1 At this stage the precise legal and governance implications of any proposal are not clear.

7. COMMENTS OF THE HEAD OF HUMAN RESOURCES

7.1 At this stage there are no human resource implications

8. CONCLUSION

8.1 A significant degree of consensus has emerged over what enhanced two tier working in Lancashire might look like. Which provides the basis for progress to be made in respect to the White Paper.

9. RECOMMENDATION(S)

9.1 The cabinet are recommended to note the contents of this report and agree to receive further progress reports for reference on to council.

10. CONSULTATION

10.1 None specifically

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There are no background papers to this report