
Report to: Clackmannanshire Council

Date: 27 June, 2013

Subject: Shared Services Update

Report by: Chief Executive

1.0 Purpose

- 1.1 The purpose of this report is to invite members to approve two key documents to support progress in taking forward shared education and social services and to agree new governance arrangements for the recruitment to shared Heads of Service posts.

2.0 Recommendations

- 2.1 It is recommended that Council:
- a) approves the Strategic Partnership Agreement attached as Appendix 1 to this report;
 - b) approves the Strategic Delivery Plan for Social Services attached as Appendix 2 to this report;
 - c) agrees to establish a joint appointments committee as set out in Appendix 3 to this report for any future recruitment to the Heads of Service posts which are shared;
 - d) notes progress in taking forward the wider review of governance arrangements which was agreed in December, 2012.

3.0 Background

- 3.1 At its meeting in December, 2012, Council approved a number of recommendations to progress shared services with Stirling Council including:
- a) instructing officers to bring forward for approval a strategic agreement for an ongoing shared services partnership which details a refreshed vision and principles;
 - b) instructing officers to bring forward for approval three year strategic delivery plans for education and social services;
 - c) instructing officers to review the effectiveness of existing governance arrangements and to bring forward for further consideration proposals which could improve these.

- 3.2 Documents have now been drafted in respect of a) and b) above and the governance review is in progress. The remainder of this report briefs Council on these three issues as well as advising of the vacancy which has arisen for the post of Head of Education and proposals to progress the filling of that vacancy.

4.0 Strategic Partnership Agreement

- 4.1 Further to the Council decision in December, 2012, a draft Strategic Partnership Agreement was prepared by officers. This was submitted to the Programme Board and the Steering Group (on two occasions each) and was also the subject of consultation more widely with members of both councils.
- 4.2 The document attached as Appendix 1 to this report represents the product of the various consultations. Feedback from the consultation exercise was reported to the Steering Group in May, 2013, when the final document was agreed for submission to both councils.
- 4.3 The Strategic Partnership Agreement is a demonstration of the reaffirmed commitment of the two councils to shared services which was declared in December, 2012. The Agreement consolidates the various decisions which have been taken incrementally by the councils since December, 2010, and restates the rationale, scope and principles for shared services. It also includes reference to issues which were raised at the most recent stock-taking exercise in respect of councils recommitting to shared services following regular local government elections and also agreeing that there should be a managed approach should either partner wish to pursue alternative arrangements for education or social services.
- 4.4 It should be noted that the draft Agreement attached as an Appendix includes reference to Head of Service appointments being made by a Joint Appointments Committee. If the councils do not agree that recommendation at their respective meetings on 27 June, 2013, this paragraph will be deleted from the Agreement.

5.0 Strategic Delivery Plan - Social Services

- 5.1 Council noted in December, 2012, that the overall view from the various stock-taking sessions was that the councils had made a positive start to shared education and social services and that to maximise the opportunities afforded for improved outcomes there would be a need to further develop shared approaches across both services.
- 5.2 Accordingly, the councils explicitly confirmed that:
- a) integration below the level of service management should be pursued where this would result in improved outcomes and more effective, efficient services;
 - b) proposals for such integration would be set out in strategic delivery plans for both services which would be submitted to the councils for approval; and

c) business cases would, subsequently, be prepared for councils setting out specific recommendations for the reconfiguration of services.

5.3 Work has been taken forward by the Social Services senior management team to determine those parts of the service which it is proposed are the subjects of future business cases for integration. These include:

- Adult Care & Assessment
- Criminal Justice Services
- Strategy Service
- Adult Provisions
- Childcare services

5.4 Further details are set out in the Strategic Delivery Plan which is attached as Appendix 2 to this report.

5.5 A draft of the Strategic Delivery Plan has been considered by relevant committees in both councils, as well as by the Shared Services Steering Group at its May meeting.

5.6 If Council approves the Strategic Delivery Plan, specific business cases will then come forward for each service area. Trade unions will be consulted as part of the process of developing the business cases.

5.7 It is anticipated that a Strategic Delivery Plan for shared education services will be brought to both councils after the summer recess.

6.0 Heads of Service Recruitment Process

6.1 When the councils agreed to pursue shared arrangements for social work and education, there was the unusual situation where the posts of Head of Social Care in Stirling and Head of Education in Clackmannanshire were vacant. It was, therefore, agreed that Stirling Council's then Head of Education should be appointed Joint Head of Education for Clackmannanshire and Stirling Councils and that Clackmannanshire Council's then Head of Social Policy should be appointed Joint Head of Social Services and Chief Social Work Officer for Clackmannanshire and Stirling Councils.

6.2 As elected members are aware, the Head of Education post will become vacant in September this year further to the current postholder securing another job.

6.3 The previous arrangements for appointing a shared Head of Education are not applicable in the current circumstances which means that an alternative approach must be pursued.

6.4 In keeping with the principles of reciprocity and parity of esteem set out in various shared services decisions and documents, it is proposed that a shared governance arrangement is put in place for any future appointments to either Head of Service position.

6.5 The recommended arrangement is that a joint committee should be established for the purpose of appointing to Heads of Service positions

which become vacant. The joint committee would comprise the 6 elected member positions which make up the existing shared services Steering Group which are the Leaders, Depute Leaders and Opposition Leaders of both councils.

- 6.6 Appendix 3 to this report sets out in more detail the legal basis, the proposed remit and membership of the joint committee.

7.0 Wider Governance Review

- 7.1 In December, 2012, the councils agreed to a review of governance arrangements.
- 7.2 The scope of this review which was approved by the Steering Group at its meeting in April, 2013, covered political, managerial and partnership governance.
- 7.3 At the time of writing, consultation has been carried out with elected members, service management and trade union representatives, with preliminary feedback being provided to the Steering Group at its meeting in May, 2013.
- 7.4 It is intended that a report on the review is submitted to the Steering Group at its August meeting further to which an event would be held for all members of both councils to be presented with the review's findings and to discuss any proposals for change.

8.0 Sustainability Implications

N/A

9.0 Resource Implications

Financial Details N/A

Staffing N/A

10.0 Declarations

- 10.1 The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box ☒)
- | | |
|--|-------------------------------------|
| The area has a positive image and attracts people and businesses | <input checked="" type="checkbox"/> |
| Our communities are more cohesive and inclusive | <input checked="" type="checkbox"/> |
| Vulnerable people and families are supported | <input checked="" type="checkbox"/> |

- (2) **Council Policies** (Please detail) N/A

11.0 Equalities Impact

- 11.1 N/A

12.0 Legality

- 12.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☒

13.0 Appendices

- 13.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 - Strategic Agreement for Shared Services

Appendix 2 - Strategic Delivery Plan for Shared Services

Appendix 3 - Joint Appointments Committee

14.0 Background Papers

Author(s)

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

CLACKMANNANSHIRE COUNCIL
STIRLING COUNCIL

STRATEGIC AGREEMENT FOR SHARED SERVICES

IN RESPECT OF EDUCATION & SOCIAL SERVICES

Note - paragraph 4.10 will only be included if the councils agree the establishment of a Joint Appointments Committee at their meetings on 27 June, 2013. If this is not agreed, this paragraph will not be part of the Agreement.

June 27, 2013

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1.0 Introduction

1.1 This agreement sets out the strategic framework within which Clackmannanshire and Stirling councils jointly discharge their functions of Education Authority and Social Work Authority.

1.2 It sets out:

- the rationale for joint discharge of functions
- the scope of joint discharge of functions
- the principles of joint discharge of functions
- other accountabilities
- governance of this agreement

and as such provides the basis for an ongoing shared services partnership.

1.3 The agreement consolidates councils' decisions since December 2010 in relation to:

a) agreeing to discharge jointly the functions as education and social work authorities (December 2010)

b) appointing Heads of Service through which to discharge these functions (December 2010)

c) agreeing the extent of delegation to those Heads of Service (June 2011)

d) agreeing the approach to apportioning the savings from, and any costs of, joint discharge of functions (March 2012)

e) reaffirming the commitment to delivering education and social services jointly (December 2012).

2.0 Rationale for Joint Discharge of Functions

2.1 The rationale underpinning the joint discharge of education and social work authority functions is:

a) to improve outcomes for service users across Clackmannanshire and Stirling council areas; and

b) to maximise the efficiency of these services.

2.2 It is anticipated that outcomes and efficiency will be improved by:

a) making use of the combined capacity of each Council in relation to depth and range of staff experience;

b) utilising other assets (such as property) more efficiently;

c) adopting best practice from of the two organisations;

d) developing alternative approaches to service provision across both organisations.

3.0 Scope of Joint Discharge of Functions

- 3.1 The management of social services and education authority functions will be shared and the shared management teams are accountable to both councils.
- 3.2 Subject to the agreement of both councils, functions within education and social services may be integrated where this will contribute to the agreed objectives of the shared services initiative. Councils' agreement will be via the approval of strategic delivery plans for each service and associated business cases.
- 3.3 The independent governance of both councils is retained and they will continue to operate as the primary vehicles for democratic accountability within their localities. Each Council retains the right to set its own policy frameworks, standards and levels of service to ensure that service provision reflects political priorities for the respective areas.
- 3.4 Where harmonisation of policies will contribute to the agreed objectives of the joint discharge of functions, such harmonisation may be pursued insofar as it does not compromise local governance. Relevant practices, processes, systems and protocols may be harmonised and aligned on a similar basis.
- 3.5 Consultation with relevant trade union representatives will take place where harmonisation impacts on employment matters.

4.0 Principles of Joint Discharge of Functions

Service Delivery

- 4.1 The Councils will seek to maximise the effectiveness and efficiency of services by closer joint working. Within the context of retaining local governance, wherever possible services will be delivered jointly, to jointly agreed standards and sharing joint management overheads to maximise economies of scale.
- 4.2 During any transition to joint or integrated service delivery, services to users should be delivered with minimum disruption and service risks should be proactively managed.

Governance

- 4.3 Each council is politically independent statutory body and the partnership approach is founded on the principles of reciprocity and parity of esteem.
- 4.4 Clackmannanshire Council is the lead authority for Social Services and will employ a Head of Social Services accountable to both Councils in accordance with:
 - i) the Scheme of Delegation in Respect of Jointly Managed Services agreed by both councils in June 2011; and
 - ii) the other relevant governance arrangements which apply within each council.

- 4.5 The Head of Social Services has overall responsibility for the management of the Social Services provided by Clackmannanshire Council and by Stirling Council and is Chief Social Work Officer for the purposes of section 3 of the Social Work (Scotland) Act 1968 in respect of both Clackmannanshire Council and Stirling Council.
- 4.6 Stirling Council is the lead authority for Education Services and will employ a Head of Education accountable to both Councils in accordance with:
- i) the Scheme of Delegation in Respect of Jointly Managed Services agreed by both councils in June 2011; and
 - ii) the other relevant governance arrangements which apply within each council.
- 4.7 The Head of Education has overall responsibility for the management of the Education Services provided by Clackmannanshire Council and by Stirling Council.
- 4.8 The Heads of Education and Social Services are accountable to each Council's existing governance arrangements and are members of each Council's Management Team, reporting to each Council as if employed solely by that Council.
- 4.9 The Heads of Service, Assistant Heads of Service and Service managers will be employed by the relevant lead authority. Other management and headquarters staff and staff delivering services in localities will be employed by the Council in whose area they work, unless the Councils have agreed to establish a more integrated service, in which case staff will generally be employed by the lead Council.
- 4.10 The Heads of Service will be appointed by a Joint Appointments Committee comprising an equivalent number of elected members from each authority.
- 4.11 Protocols will be developed for the joint management of the Heads of Service.

Finance

- 4.12 Jointly delivered services will be financed jointly. Each Council will bear the cost of services delivered within its area. Common costs, such as the costs of joint management, will be apportioned on an appropriate basis for each service, agreed before the commencement of joint service delivery.
- 4.13 Costs and savings associated with joint discharge of functions fall into three broad categories as follows
- a) *Shared Costs: those that can be shared according to volumes of business* - where costs arise because of the volume of particular activities, they can be shared in proportion to total activity. Apportionment of such shared costs will be on the basis of Grant Aided Expenditure (GAE) (e.g. population or roll based service)

- b) *Equal Costs; those that should be split equally* - there are some posts where costs are not reflective of volume of business or population size. For example Heads of Service roles are not directly related to client or pupil numbers. Such shared costs will be apportioned equally between the councils.
- c) *Unique Costs; those that remain unique to each organisation* - such costs are attributable to one council only and reflect direct delivery of services such as schools or care homes

4.14 It is delegated to the Chief Executives of the two councils to decide which method is applied to any savings or costs and to report these decisions to the Steering Group.

5.0 Other Accountabilities

- 5.1 A Steering Group comprising the two Council Leaders, two Depute Leaders and the two main Opposition Leaders will oversee the implementation of the joint discharge of functions. The Steering Group will report regularly to the two Councils on progress.
- 5.2 General monitoring of education and social services performance will be taken forward via the relevant management and political structures in both councils. The Chief Executives will make arrangements for ongoing review of the effectiveness of managerial and political governance arrangements and will bring forward to councils any proposals to improve political governance arrangements.
- 5.4 The Chief Executives will also put in place any management protocols which may be required from time to time.

6.0 Governance of this Strategic Agreement

- 6.1 This agreement will be submitted to each council for endorsement no later than 6 months following regular local government elections. Endorsement of the agreement will be for the period until the next regular local government elections (normally four or five years).
- 6.2 Any variations to this agreement must be agreed by both councils.
- 6.3 Should either council wish to cease the joint discharge of its education or social work functions, a period of notice of at least one full financial year must be given to the other council to enable alternative provision to be pursued. In this event, the Chief Executives will oversee the managed withdrawal from the agreement.

Council Leader Clackmannanshire Council
June 27, 2013

Council Leader Stirling Council
June 27, 2013

ANNEX

This Strategic Partnership Agreement was agreed by both councils on 27 June, 2013, and was supported by the undernoted political groups:

CLACKMANNANSHIRE COUNCIL

The xxxxxxxxx Group _____

The xxxxxxxxx Group _____

The xxxxxxxxx Group _____

The xxxxxxxxx Group _____

STIRLING COUNCIL

The xxxxxxxxx Group _____

The xxxxxxxxx Group _____

The xxxxxxxxx Group _____

The xxxxxxxxx Group _____

Strategic Delivery Plan for Shared Social Services - June 2013

In December 2010, Clackmannanshire and Stirling Councils approved recommendations to manage Social Services jointly within the terms of the Local Government (Scotland) Act 1973. Clackmannanshire Council is the lead authority for the management of Social Services. A Joint Head of Social Services and Chief Social Work Officer was appointed and is accountable to both Councils, a Joint Social Services Management Team has also since been established. Each Authority retains democratic accountability in determining and agreeing strategic priorities and setting budgets for social services in their respective areas.

The objectives of the shared services programme are:

1. To develop and implement shared service models that maximise our ability to meet the needs of both Councils' populations
2. To align policies, processes and workforce between organisations, so far as is practical in the interest of efficient service delivery
3. To maintain the existing service improvement activity for each Council, including response to inspection regimes
4. To align support functions where appropriate to assist shared service delivery models and structures, whilst continuing to acknowledge wider corporate need.

The two Councils confirmed in December 2012 that integration below the level of service management should be actively pursued to maximise these opportunities.

Service Redesign:

A Business Case will be developed for each service area offering:

- The proposed new model
- Evidence based rationale
- Perceived advantages
- Financial Impact
- Risk analysis
- Implications for the workforce

This proposal will then progress through the corporate governance frameworks of both organisations, preceded by discussion with the Trade Unions and appropriate corporate services.

It is essential that prior to the agreement of any specific business case, a whole systems review is undertaken. This would consider:

- The Health and Social Care Integration Agenda
- Opportunities to support cross service issues i.e. children coming through transition
- Defining the role and requirement of the management team

A proposed timetable for integration is offered below although it should be noted that timeframes can only be indicative due to the need for full consultation with the staff teams and discussion with appropriate internal and external colleagues.

Services Included:

Adult Care and Assessment Services

The provision of assessment and care management services for adults. This service also includes the Mental Health Officer and Adult Support and Protection functions (this is distinct from the Integrated Mental Health Service)

Criminal Justice Services

Criminal Justice services aim to reduce the unnecessary use of prison sentence and secure care by providing suitable community based alternatives. Community safety is supported and individual assisted as appropriate.

Strategy Service

The provision of the core support functions for social services including strategic planning, commissioning, workforce development and performance and quality assurance. This team is key to supporting others in their efforts to improve and the 'containment' of activity.

Adult Provisions

Adult Provisions is responsible for the internal services that the Council directly provides for individuals with learning disability, mental health issues, older adults and clients with a physical disability. Examples include care homes, day services and community based supports.

Childcare

Childcare services are responsible for all aspects of children's care ranging from child protection concerns to wider locality based provision. Childcare also includes fostering and adoption services, residential units, children with disabilities and assistance to those affected by substance misuse.

It should be noted that the plan does not include two elements to Social Care:

1. **Integrated Mental Health Services** where the current focus is on integration with Health colleagues in Stirling.
2. **Employability and Local Area Co-ordination**, currently a Stirling only service but integral to shared service redesign moving forward.

For the purposes of this plan, implementation completion can be defined as

“A comprehensive review of service delivery to support the delivery of shared services across Clackmannanshire and Stirling where appropriate. This is likely to involve a single operational management team and a single workforce structure to support shared practice and the subsequent aligning of resources. Evidence would show greater resource efficiency, reduced duplication and uniformity of approach where it is appropriate and improves client care.”

Service Area	Complete Business Plan	Commence Implementation	Complete Integration
Adult Care and Assessment	August 2013	August 2013	Structure to be implemented by January 2014 Process and procedures including eligibility and charging frameworks planned for December 2013 but will depend on Council agreement.
Criminal Justice Services	September 2013	Commenced	November 2013 Integration within CJ has made some progress with an integrated team, joint posts and practice and shared business plan. 2 key aims to progress include: Consistent management arrangements and shared management of unpaid work service

Service Area	Complete Business Plan	Commence Implementation	Complete Integration
Strategy Service	Completed Business Plan June 2013	Start to implement July 2013 Agreement for mgt posts integral. Under current discussion with CEXs	Completion January 2014
Adult Provisions	Business Plan in Place August 2013	Integration of the services will be staged: MECS Care Homes Stirling Internal care at home/ Reablement Stirling Not all services can be integrated due to Care Inspectorate requirements for Registered managers. Significant activity in sharing of policy, procedure and protocols - sharing good practice	Staged plan being progressed - completion December 2014 Completion of full RSOPC model in Stirling by 2015 - Care Village opening Full restructure by April 2014
Childcare Services	October 2013	December 2013 Discussion is underway with the workforce considering both learning and new ways of working	April 2014 Children's services are seeking a whole systems redesign and as such will initially be considered as a single service.

1.0 Legal Basis

- 1.1 In terms of the Local Government (Scotland) Act 1973 a local authority may determine to discharge any of its functions jointly with another local authority. This can be done through establishing various joint governance arrangements, including delegating or transferring functions to a joint committee.

2.0 Shared Services Appointments Committee - Remit

- 2.1 The role of the committee is to make appointments to any Head of Service post which is shared by Clackmannanshire and Stirling councils.
- 2.2 The committee will have delegated authority to make any such appointment.

3.0 Shared Services Appointments Committee - Membership

- 3.1 The members of the committee are postholders in each Council as follows:
- Leader
 - Depute Leader
 - Main Opposition Leader
- 3.2 Substitutes for any of the above postholders are permitted from the relevant council.
- 4.0 Shared Services Appointments Committee - Other Arrangements**
- 4.1 The committee will be chaired by the council which is the lead authority for the post in question.
- 4.2 The council which is the lead authority for the post in question will make the necessary arrangements to convene the committee and will be responsible for the clerking of the committee.
- 4.3 The Standing Orders of the council which is the lead authority for the post in question will govern the operation of the Committee.

DRAFT