Strategic Partnership Business Case





November 2022 Version 3

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Introduction





At the request of the Leaders from both councils, this business case has been commissioned by Harborough District Council ('HDC') and Melton Borough Council ('MBC') to appraise the desirability, viability and feasibility of establishing a strategic partnership between the two councils.

This business case is designed to appraise whether the creation of a formalised strategic partnership would provide an appropriate platform that enables both councils to improve outcomes for their communities and businesses by increasing service quality, resilience and efficiency, as well as increasing the collective influence of both councils.

The proposed creation of the strategic partnership would involve the current Chief Executive Officer of MBC assuming the role of Shared Chief Executive Officer and Head of Paid Services ('the Shared CEO') for both councils. The Shared CEO would remain employed by MBC, with a Section 113 agreement (which allows a local authority to enter into an agreement with another local authority to place an officer of one at the disposal of the other for the purposes of discharging the latter's functions) in place between both councils.

Additionally, the creation of the strategic partnership would involve two Shared Deputy Chief Executive Officers ('Shared DCEOs') - (one employed by each council) assuming thematic responsibilities across both councils. The MBC Deputy Chief Executive would assume thematic responsibility for communities and housing, while the HDC Deputy Chief Executive would responsibility for corporate assume and transformation.

The sovereignty and independence of both councils would remain unchanged should the strategic partnership be established. Additional informal governance arrangements would be implemented to assist in the development of the strategic partnership; the initial creation of the strategic partnership is considered to be a platform that can enable and catalyse future collaboration across both councils.

The creation of a Shared Strategy Board would allow Cabinet Members from each council to meet regularly to consider the overall strategy and direction of the partnership, while identifying matters of shared interest and opportunities for joint working.

A Shared Stakeholder Group, consisting of the Leaders and Deputy Leaders of both councils, would meet regularly with the Shared CEO to provide regular liaison and direction.

To support the operational implementation of collaborative approaches that are formally agreed by both councils (Full Council), an officer led Strategic Partnership Board would be established to ensure sufficient capacity and capabilities are available to implement the decisions of both councils (following recommendations from the Shared Strategy Board).

Collaboration is commonplace across local government and within Leicestershire there is a strong track record of joint working by district councils and their partners. Since 2020 both councils have increased their focus on joint working and collaboration, recognising they have a number of shared challenges including the pandemic response, cost of living crisis, and Homes for Ukraine.

Additionally, both councils have discussed collaboration in response to central government funding programmes, including the UK Shared Prosperity Fund, Rural England Prosperity Fund and Levelling Up Fund. These examples of joint strategic planning have demonstrated the value and potential of a strategic partnership approach to place leadership and the potential benefits of a collective voice representing communities and businesses across South and East Leicestershire. Both councils are currently exploring a range of opportunities for shared operational arrangements. These discussions have highlighted the common challenges faced by both councils, their communities and local businesses. It has also become clear that both councils have areas of specialism that would benefit the other council.

Approach





This business case has been developed over a 5-week period (12th October to 18th November 2022). The councils jointly appointed Mutual Ventures Ltd to lead the development of the business case, in addition to the appointment of Nathan Elvery as a strategic advisor to both councils, with responsibility for the development of the Memorandum of Agreement ('MoA') that would govern the relationship between the councils should the strategic partnership be established.

Prior to the development of the business case, both councils have undertaken several critical stages of development and engagement. These are summarised below, with a timeline on the next page providing an overview of the journey so far:

- Following the retirement of the previous HDC Chief Executive in **February 2022,** HDC undertook an options appraisal in relation to resourcing senior management positions going forward.
- In June 2022 an options appraisal that considered and appraised a longlist of senior management structure options was presented to HDC's council. Based on this assessment, it was agreed that the council should explore the potential of establishing a strategic partnership with a neighbouring council. The council agreed a delegation for the Leader and Interim Chief Executive to select a strategic partner, based on the criteria set out in the report, and to progress negotiations with that partner and report back to Council on the suggested way forward at a later date.
- The HDC Leader and Interim Chief Executive have since undertaken an analysis of the strategic fit criteria and an evaluation of the other criteria in the June report to finalise the selection of the preferred strategic partner.
- Following further analysis and discussions with various councils, HDC identified MBC as a preferred strategic partner and formally approached the Council to explore this further.

 In October 2022 the Cabinets at both councils confirmed their intention to explore this further and authorised the development of a business case and approach to operating a strategic partnership.

This business case and accompanying MoA have been developed in partnership with officers and elected members from both councils. The following meetings have provided the basis for engagement with staff and members from both councils:

- Weekly strategic working groups consisting of the Chief Executives and Deputy Chief Executives from both councils, in addition to the appointed external support.
- Weekly working groups attended by the members of the strategic working group, in addition to senior officers from both councils.
- Regular member engagement sessions including Leader and Deputy Leaders from each council (both separate and jointly), all member briefing sessions.
- Joint Leaders & Deputy Leaders collaboration meetings attended by the Leaders and Deputy Leaders from both councils, in addition to Shared/Joint CEOs from other councils operating various types of collaboration and shared arrangements (Rochford District Council and Brentwood Borough Council, East Lindsey District Council etc.)

In addition to the above, both councils have led on engagement with their own staff and external stakeholders.

The decision-making process associated with the oversight and scrutiny of the business case, MoA and council recommendations are outlined on the next page.

Timeline 2022

MoA





March – April: HDC: Options Appraisal	20 th June: HD Full Council Meeting	July Au	gust: HDC & xploratory	September HDC identi strategic p	fies MBC as	10 th October: HDC Cabinet Meeting	12 th October: MBC Cabinet Meeting
Undertaken to identify and appraise possible shared arrangement options	Review of options appraisal for shar arrangements (delegation given identify potential strategic partner)	ed informal with MB0 HDC asse	discussions C as part of	HDC formally approached I explore this f	MBC to	Review proposals regarding the identification and selection of MBC as appropriate partner and approval of business case (BC)	Review proposals regarding the identification and selection of HDC as appropriate partner and approval of BC
November:	rutiny . HDC Co dards nittee in	w/c 21 st Inber: HDC	11 th Novemi Joint all s briefi engagem	staff I ing/	MBC all members briefing	31st October: HDC all members briefing	_ OCTOBET
w/c 21 st No MBC Audit of Standards Committee Review and i	& IH	 The December: DC Cabinet Eview of BC and ToA	I M	h December: IBC Cabinet eview of BC and oA	Fr R co	//c 19 th December: ull Council meetings (Heceive and onsider BC and	







O1
Business
case
summary

1.01 - The case for change







Limited strategic influence - Due to their scale, both councils experience challenges associated with their ability to influence decisions at a sub-regional, regional and national level. For example, HDC and MBC are two of seven second tier authorities 'trying to get a seat at the Integrated Care Board table'. Individually, HDC and MBC are ranked 259th and 311th respectively (out of 314 councils) in terms of population size. Operating across both areas would mean that the councils would speak on behalf of 146,000 residents, making it the 147th most populated area in the country and 92nd in terms of geographical area. Working together could increase the influence and impact of both councils, whilst still remaining locally connected.



Limited 'place leadership' without a single voice - Both councils are experiencing similar challenges (an ageing population, pockets of deprivation, inequality and isolation, lack of digital and transport connectivity etc.) but currently do not share strategies and approaches to address these challenges. The CEOs of both councils currently spend 30% of their time managing external relations; they both attend the same meetings and engage with the same stakeholders separately. The opportunity exists to address shared challenges together, doing things once rather than twice.



Challenges to financial resilience and sustainability - Both councils are currently experiencing financial challenges, with both forecasting significant MTFS deficits over the next 3-4 years. There is uncertainty regarding future levels of government funding, while inflation is already having a significant impact on council finances. Both councils have exhausted the opportunities for achieving savings and efficiencies by themselves without impacting services delivered to customers. Sharing services, resources, expertise and approaches to common challenges represents a new route to realising new efficiencies and savings, while also representing a significant opportunity to improving the scope and quality of services delivered to communities and businesses. Additionally, HDC's base budget for 2022/23 and MTFS already includes savings associated with the sharing of senior leadership team posts.



Organisational resilience - Both councils have experienced challenges in terms of recruitment and retention, particularly amongst specialist teams and roles, including Monitoring Officers and director roles. While MBC currently has a stable leadership team, several senior HDC roles are vacant or subject to interim appointments/cover arrangements. Additionally, single points of failure currently exist in some areas across both organisations, as single individuals assume responsibility for statutory functions (safeguarding, health and safety advice, Conservation Officer (planning), equalities and land charges etc.). There are other areas where internal specialist skills are currently limited and cannot be remunerated at the required market.



Service resilience - Challenges relating to recruitment and retention extend to individual service areas, including planning and housing services. Recent experience demonstrates that these services are particularly susceptible to disruption given the small size of the respective teams (i.e. annual leave, sickness, resignations etc.). As an example, this has been particularly felt in the MBC housing team over the last 18 months and has required significant risk management. Loss of key staff has a significant impact on institutional knowledge, leadership continuity and places both service progress and improvement at risk, as well as basic service effectiveness.

1.02 - Evidence from elsewhere







We are treated as a bigger player nationally now. We have better conversations with Government and we are seen to be more influential.

Chief Executive of a shared council, 'Stronger together - shared management in local government' report



Alex Bailey, Joint Chief Executive,
Adur District Council and Worthing Borough
Council





Deborah Cadman, Chief Executive, Suffolk County Council and Interim Shared Chief Executive Babergh and Mid Suffolk Councils (2016)



We are taking control of our future rather than waiting for a solution to be imposed. Our residents will still receive the services they rely on. If we had done nothing, the future of those services were at risk. We are putting people, rather than politics, first.

Councillor Anthony Trollope-Bellew, Leader, West Somerset Council



Source: Local Government Association 'Stronger together - shared management in local government', 2016 report

1.03 - Overview - design principles, intended benefits and proposition





To inform the development of the business case, elected members, senior officers and other staff from across both councils were engaged to develop the design principles, intended benefits and proposed structure ('the proposition') of a strategic partnership.

Separately, the councils have engaged local external stakeholders inviting feedback which has and will continue to be considered through the process.

Design principles

- ▼ The 'what?'
- Characteristics and qualities that any proposed change is required to demonstrate
- Provides a blueprint that informs the proposition options to be appraised within the business case
- Be both desirable and realistic (viable and feasible)

01

 Develop with officers and members

Intended benefits

- ▼ The 'why?'
- What do we want to achieve?'
- What is a strategic partnership required to achieve?
- From the perspectives of the councils, residents, communities and businesses etc.
- Develop with officers and members

Proposition

- ▼ The 'how?'
- A tangible demonstration of the transformational change being proposed
- Considers risks and dependencies
- ▼ Implementation plan
- ▼ Financial costs/benefits
- Developed with officers and members

03

1.04 - Design principles





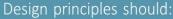
Design principles Form follows function



DP1 - Enhance each councils' ability to address common issues and challenges for the benefit of residents, communities and businesses, through a common purpose, whilst maintaining democratic accountability



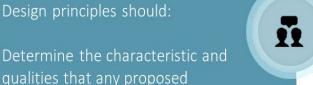
DP2 - Enable both councils to maximise influence, reach and impact; locally, regionally and nationally, particularly on shared opportunities and challenges



change is required to

demonstrate

case



DP3 - Enable greater financial sustainability, delivery resilience and maximise opportunities to secure external funding



DP4 - Attract and retain workforce talent through the opportunities for shared learning, job enrichment, new experiences and progression

Provide a blueprint that informs the proposition options to be appraised within the business



DP5 - Create a mechanism that allows the effective and equitable deployment of resources



DP6 - The ability to consider future collaboration options and to review and evaluate existing arrangements

Be both desirable and realistic (viable and feasible)



DP7 - Ensure that council sovereignty and clear lines of accountability are maintained



DP8 - Create a mechanism that ensures a fair, equitable and proportionate allocation of costs

1.05 - Intended benefits (1)





Strategic place leadership

- Maximising our influence speaking on behalf of South and East Leicestershire, increasing our collective influence regionally and nationally through a stronger, louder and more united voice.
- Maximising our collective strengths working together to respond to and address shared and common challenges and opportunities at a local, corporate and sub-regional level.
- Futureproofing both councils and shaping the future collaboration agenda; cementing a solid and flexible foundation for long term partnership working.

Communities and businesses



- Maximising external investment; enabling the future prosperity for our communities and businesses.
- Maximising impact by jointly addressing shared challenges, including net zero, cost of living, health and wellbeing, digital connectivity, housing affordability etc.
- Increased impact realised through collective campaigns and public awareness initiatives

1.05 - Intended benefits (2)





Organisational effectiveness	Workforce	Financial resilience
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- Increasing service resilience sharing resources, learning and good practice.
- Increased opportunities for job enrichment, development and progression.

Improved financial sustainability - through growth, efficiency/ removal of duplication and the realisation of savings.

- Improving organisational effectiveness a joint approach that reduces duplication, increases service quality and improves outcomes.
- Improved recruitment and retention rates.
- Improved value for money through sharing capabilities, resources and working practices.

- Accelerating the pace of progress/improvement and increasing the impact realised by both councils a joint approach that reflects the best of both councils.
- Both councils being viewed as 'employers of choice'.
- Increased purchasing power improved value for money and the ability to shape, influence and support local/regional markets.
- A net financial benefit to the councils ongoing savings, efficiencies and added value outweigh the costs of change.

1.06 - The strategic partnership proposition





The creation of a formalised strategic partnership between both councils is designed to provide an appropriate platform that enables both councils to improve service quality, resilience and efficiency, while also increasing the collective influence of both councils and their ability to improve outcomes for their communities and businesses.

To establish the required platform, only the following changes are being proposed to establish a stable initial leadership platform for the new partnership. These changes will enable the exploration of further collaboration, however these changes have no direct impact on the sovereignty, decision making and independence of either council. These changes have been designed to adhere to the required characteristic, qualities and safeguards identified within the design principles:

01. Shared CEO and Head of Paid Services

- Single postholder who is accountable for the internal operations and performance of the council, in addition to leading on external relations for both councils.
- Shared CEO equally accountable to elected members from both councils.
- Shared CEO to remain employed by MBC, with section 113 arrangement in place.
- Cost of post to be shared 50/50 by both councils.

02. Shared Deputy Chief Executives (x2) with thematic responsibilities

- Two Shared DCEO posts, one post allocated to each council, held by a single person.
- HDC DCEO operational lead for HDC, in addition to leading the corporate, governance and partnership development and transformation agenda across HDC and MBC.
- MBC DCEO operational lead for MBC, in addition to leading the housing and communities agenda across MBC and HDC.
- Cost of posts shared 50/50 by both councils.

03. Partnership governance

- Shared Strategy Board, attended by Cabinet members from both councils and Shared CEO, to provide overall strategy and direction. To provide both councils appropriate decision-making structures with recommendations as required.
- Shared Stakeholder Group, attended by
 Leaders and Deputies and Shared CEO.
- Strategic Partnership Programme Boardto provide programme capacity.
 - Memorandum of Agreement in place to govern sharing of resources and costs.

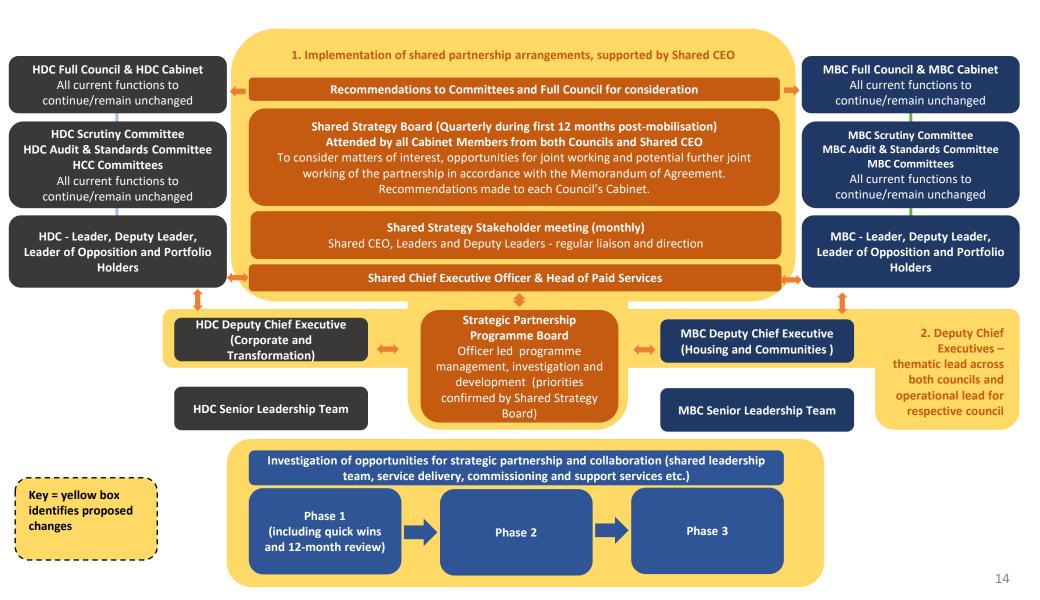
 Formal decision making retained by both councils separately.

1.06 - The strategic partnership proposition





The diagram below demonstrates how the strategic partnership will respect and maintain the sovereignty of both councils.



1.06 - What is/isn't being proposed





What IS being proposed?



An arrangement that ensures council sovereignty and independence are maintained and respected



Establishing a framework for exploring future opportunities to collaborate that will benefit communities and businesses



Enabling both councils to develop joint strategies/approaches on issues where an at scale or collaborative 'place leadership' response could potentially be more effective



Establishing arrangements where elected members will have the final say on whether to collaborate across services, policies or strategies



Enable both councils to operate with a stronger voice on local, regional and national issues where appropriate



A clear process for managing local variance (need and demography, demand for services etc.).



An arrangement that can be reversed without creating significant disruption to services and each council's corporate functions

What IS NOT being proposed?



A merging of the two councils, or takeover of one by the other



Establishing a mechanism for investigation that will solely focus on reducing costs and realising financial savings



A mandatory requirement for councils to adopt a regional approach on all place based issues



Taking decision making powers away from elected members



Councils and elected members being unable to speak to or on behalf of their communities



A one size fits all approach to delivering services and meeting need across both councils



An arrangement with no exit strategy

1.07 - Investigating opportunities for collaboration





A phased approach to investigation is designed to identify and implement collaboration that is best placed to realise the intended benefits identified within section 5. The following lines of investigation are likely to be the main focus of the phased approach:

- Identifying long term strategic opportunities to shape policy / plans and inform regional and national thinking in areas of commonality (for example housing fit for the future, tackling fuel poverty in rural areas etc.).
- Reduced duplication and the ability to develop thematic leadership and share expertise across the partnership (for example joint responses to domestic abuse, Homes for Ukraine, cost of living).
- **Shared leadership arrangements** where appropriate (for example waste and environmental services, regulatory services).
- A joint approach to identifying, securing and investing external funding, including a default position that considers sub-regional working if appropriate (for example safer streets, homelessness).
- A creative and strategic partnership approach to service growth, rather than viewing services as 'a contract' (for example Lifeline digital transition / assistive technology growth').
- The ability for one council to provide the other with expertise to drive forward service improvement and growth (for example in relation to housing regulation, engaging with registered providers, housing development).
- A joint approach to commissioning and procurement (for example aligned approach to developing a leisure procurement strategy, shared leadership, knowledge and expertise transfer, peer review and critical friend functions).
- Shared / aligned procurement arrangements (for example the aligned approach to developing a leisure procurement strategy, MBC's Welland procurement service providing services to HDC, the potential to develop a joint car parking needs assessment).

Adopting a business case approach to investigation

The Strategic Partnership Programme Board would be responsible for identifying opportunities for collaboration. A longlist of opportunities would be forwarded and discussed at the Shared Strategy Board. The Shared Strategy Board (consisting of all Cabinet members from both councils and the Shared CEO) would instruct the Strategic Partnership Programme Board to develop businesses cases for opportunities that it felt would be most likely to achieve the intended benefits of the strategic partnership.

The process of developing businesses cases would focus on the following:

- A clear identification of the in-scope services, resources and/or posts.
- Clear proposals in terms of the nature of the collaboration being proposed.
- A setting out of the proposed financial, HR and legal arrangements.
- A costed implementation plan.
- An identification of the benefits, risks, costs and dependencies associated with proposals.

Once completed, the full business case will be considered by the Shared Partnership Board. Should the Joint Partnership Board consider the proposal to be desirable, viable and feasible, it would recommend to and seek approval from both councils.

Each council would seek approval through each council's own decision-making governance arrangements. Proposals would only be implemented should both councils agree with the recommendations.

1.08 - Phased approach to further review and investigation





The following areas of potential collaboration would be considered during the phased approach to investigation:

Implementation of strategic partnership (pending decision by councils)

Signing and implementation of Memorandum of Agreement.

Establishment of Shared CEO and Head of Paid Services and Shared Deputy CEO posts.

Establish
Shared Strategy
Board.

Shared Strategy Stakeholder meeting.

Establish Shared
Partnership
Programme Board.

Phase 1 (Jan-April 2023)

Develop and appraise proposed arrangements for:

- Undertake initial review of senior leadership structures in particular Monitoring Officer.
- Executive support and transformation programme support.
- Waste & Environmental services shared leadership & enviro-crime campaigns.
- Environmental Health and licensing shared leadership, building on interim arrangements.
- Parking strategy Potential to align approach re developing car parking strategy / needs assessments relevant to each locality.
- Leisure operator procurement align elements of procurement process.
- CCTV Monitoring / maintenance of MBC systems by HDC (in progress)
- Improved Procurement service HDC exploring collaborative approach with Welland Procurement - hosted by MBC.
- Legal services shared capacity, expertise, building resilience and retention.
- Member development sharing good practice, induction procedures, joint training, peer support and scrutiny development
- Initial workforce & leadership development and cultural alignment.

Phase 2 (May-Dec 2023)

Develop and appraise options for:

- Planning explore potential for shared leadership and wider service delivery, joint procurement of evidence base documents for planning policy and expert advice for development management.
- Business support/economic development –such as aligning of systems and forms, coordination of UKSPF/ REPF delivery.
- Strategic Housing/Homelessness/Housing Needs

 consider opportunities for shared expertise on thematic areas- e.g. - Homes for Ukraine, domestic abuse. Cost of Living.
- Temporary Accommodation opportunity for knowledge transfer to support HDC's aspirations to develop more temporary accommodation in the District.
- Housing development for example jointly resourcing to enable and support housing development.
- Lifeline joint approach to digital switchover & commercial expansion.
- Community safety joint bids for funding.
- Communications shared campaigns /plans
- Explore with our teams, future customer services needs and options.
- Property and assets- explore potential for joint development opportunities and sharing key operational activities.



1.09 - Place leadership across South and East Leicestershire





The proposal to establish a strategic partnership would enable both councils to consider how best to deploy shared resources for the benefit of communities and businesses across both geographical areas:

	HDC	МВС	HDC & MBC combined 'South and East Leicestershire'
Population	97,600	51,800	149,400
Geographic area	228 sq miles	186 sq miles	414 sq miles
Staff employed	189 headcount , 164 FTE (31 st March 2022)	193 headcount, 170 FTE (31 st March 2022)	382 headcount, 334 FTE
Elected members	34	28	62
Spend per annum	£13.3m	£4.8m (+ HRA £7.2m)	£18.1m (+ MBC HRA £25.3m)

1.09 - Place leadership across South and East Leicestershire





A strategic partnership between both councils would create a platform for both councils to collectively represent the residents and businesses or South and East Leicestershire.

Across Leicestershire, the strategic partnership would represent the third largest population and largest geographical area.

	Population	Area	Elected Members
Harborough	97,600	228 sq miles	34
Melton	51,800	186 sq miles	28
Hinckley and Bosworth	113,600	114 sq miles	34
North West Leicestershire	104,700	108 sq miles	38
Charnwood	183,900	109s q miles	52
Blaby	102,900	50 sq miles	39
Oadby and Wigston	57,700	9 sq miles	26
Leicester City	368,600	28 sq miles	55
Rutland	41,000	147 sq miles	27
Strategic partnership - combined	149,400	414 sq miles	62
Rank - Leicestershire	3 rd	1 st	1 st
Rank - national	147 th	27 th	-

1.09 - Place leadership across South and East Leicestershire





Informed by the analysis of councils (see section 3), a joint approach to place leadership would support both councils to address numerous shared challenges. For example, both councils are experiencing challenges associated with ageing populations, housing availability and affordability, and connectivity (digital and access to public transport). A co-ordinated approach to place leadership would allow both councils to speak with a louder voice, undertake shared campaigns, resources, capabilities and corporate expertise could be deployed on a sustained basis to ensure maximum impact is realised for communities and businesses. Key areas for the development of shared approaches include:

Regeneration and inclusive growth

- Rural prosperity and investment
- Market town regeneration
- Cost of living support
- UK Shared Prosperity Fund delivery
- Rural England Prosperity Fund delivery
- Tourism and the visitor economy
- Digital connectivity
- · Transport connectivity
- · Sustainability of village life
- Social mobility (higher skill and wage jobs, attracting and retaining more young people)
- Skills access to and influence over FE provision

Health and wellbeing

- Health and Wellbeing / Ageing Well
- Young People Strategy
- Access to Services
- Poverty/inequality

Funding and investment

- Attracting inward investment
- · Attracting grant funding

Infrastructure

- Development and utilisation of council assets
- Development and delivery of local plans and related infrastructure

Safer communities

- Community cohesion tolerance and inclusivity
- Rural crime
- Safer streets
- Provision for young people
- Environmental crime (fly tipping)

Climate change

- A path to net zero (council estate and services)
- A path to net zero (communities and businesses)

Housing

- Housing development
- Housing affordability

In addition to joint strategic planning and co-ordinated delivery, being represented by a Shared CEO will provide both councils with additional influence and leverage when engaging with external partners. As an example, the strategic partnership will strengthen both council's ability to engage with the Integrated Care Board; currently district councils experience limited influence and engagement due to the number of individual councils operating across Leicestershire (seven district councils). Additionally, the councils will be in a stronger position to engage and influence the Rural Services Network, given the collective geographic area and rural population being represented by the strategic partnership.

1.10 - Managing local variance



The strategic partnership between both councils is designed to provide an appropriate platform that enables both councils to improve service quality, resilience and efficiency, while also increasing the collective influence of both councils and their ability to improve outcomes for their communities and businesses.

The opportunities for collaboration identified within this business case can be categorised as follows:

- The development of shared strategies to address joint challenges, as part of a place-based approach across South and East Leicestershire.
- The sharing of some senior management roles (Shared CEO, DCEOs).
- The alignment of approach and / or sharing of services, staff, skills, capacity, expertise, systems and intelligence across the councils (subject to approval from both councils phases 1, 2 and 3).

Through the above, the intention is not to establish a 'one size fits all' approach to service delivery. The following steps and safeguards will ensure that the specific needs of communities and businesses are reflected within the services they receive:

 Elected members will remain accountable to their local constituents. In determining any service model, elected members will ensure that local priorities and local needs are reflected in proposals. Each council remains sovereign, so elected members will only approve proposals (to be implemented by the strategic partnership) that are reflective of the needs of their communities.

- Each council will remain responsible for assessing need across their respective council areas.
- Proposals for shared services will (through the phased approach to investigation) be required to demonstrate how local challenges and variance will be met. Should the proposal for a shared service be based on the need to access additional capacity, expertise or improved systems, communities and businesses should experience an improvement in the quality of services delivered once the shared service is established.
- The Shared DCEOs for each council will assume operational responsibility and accountability for the services delivered to communities and businesses across their respective council.

Once implemented, collaborative approaches will be the subject of annual service reviews and service planning arrangements, in addition to being included within the 12-month review process (for all services delivered by the strategic partnership).

Should services not meet the needs of specific communities, the service review and planning process will identify such areas of performance and be required to implement arrangements that address the gaps in services.

1.11 - Improved organisational and service resilience





Organisational resilience

By authorising the appointment of MBC's current Chief Executive to the role of Shared CEO for the strategic partnership, HDC would be benefiting from an experienced and established Chief Executive with a strong working knowledge of the challenges facing Harborough's communities and businesses. In addition, the current MBC Chief Executive holds strong relationships and connections with local, subregional and regional stakeholders.

The appointment of MBC's current Chief Executive to the role of Shared CEO would avoid a recruitment process with anticipated lead times of c3-6 months, while the appointment would also enable HDC's current interim Chief Executive to return to her substantive role as Deputy. This will increase HDC's ability to achieve financial savings for 22/23 and 23/24, which are embedded within council budgets. The costs of recruitment would also be avoided.

The strategic partnership would provide a framework that will benefit elected members from both councils; peer support could be provided by portfolio holders with similar briefs and for chairs of committees at both councils. The opportunity for joint training and mentoring would also support increased organisational resilience.

The resilience of each council to ensure the delivery of statutory roles continues would also be increased through a strategic partnership. Currently single points of failure exist across both organisations in relation to statutory roles (safeguarding, health and safety advice, Conservation Officer (planning), equalities and land charges etc.).

Additionally, phase 1 of the investigation process will investigate the sharing of the Monitoring Officer post (MBC currently has a permanent appointment in place, HDC an interim until end of March 2023).

The intention is for both councils to have a permanent and qualified Monitoring Officer in place; sharing the role is likely to ensure the necessary capacity and capabilities are held across both councils.

Service resilience

Both councils have experienced challenges in terms of recruitment and retention (particularly amongst specialist teams and roles (including planning and housing services. In addition to a range of other service areas).

Phase 1 investigations will also assess the ability of opportunities to share leadership in waste and environment, and regulatory services, building on work already undertaken. In planning there are opportunities to explore shared leadership and planning policy there are opportunities to work together to address skills gaps and expertise, reducing potential disruption to progress. It may also be possible for both councils to reduce reliance on external expertise, by establishing in-house expertise together. Equally, a review of housing services during phase 1 would assess opportunities for taking a thematic leadership approach to key subject areas impacting on housing and homelessness services (such as cost of living).

A strengths-based approach to the phased investigation will be assumed, which has the potential to identify areas of service growth by maximising the collective skills, expertise and systems in place across both councils. Such growth, in addition to any efficiencies identified, has the potential to lead to either financial savings or additional funds being available to invest in services (at the discretion of the councils).

Additionally, a more aligned leadership structure (proposed for investigation during phase 1) will enable both councils to reduce duplication, realise efficiencies adopt a more place based approach and fill vacancies or interim arrangements currently in place within HDC, alongside the recent senior planning vacancy at MBC.

1.12 - Strategic case - summary





A strong case for change - why 'doing nothing is not an option'

- Limited strategic influence Due to their scale, both councils experience challenges associated with their ability to influence decisions at a sub-regional, regional and national level.
- Limited impact of 'place leadership' without a single voice Both councils are experiencing similar challenges (an ageing population, pockets of deprivation, inequality and isolation, lack of digital and transport connectivity etc.) but currently do not share strategies or approaches to address these common challenges.
- Ongoing challenges to financial resilience and sustainability Both councils are currently experiencing financial challenges, with both forecasting significant deficits over the next 3-4 years.
- A requirement to improve organisational resilience Both councils have experienced challenges in terms of retention, particularly amongst specialist teams and senior roles.
- Improving service resilience Challenges relating to recruitment and retention extend to individual service areas, including planning and housing services. Recent experience demonstrates that these services are particularly susceptible to disruption given the small size of the respective teams (i.e. annual leave, sickness, resignations etc.).

Alignment with national policy and legislation

 The proposed strategic partnership between HDC and MBC would create a shared management arrangement based on Section 113 of the Local Government Act 1972. All employees will remain contracted to their sovereign councils. There are a number of other provisions in law, which could provide a future opportunities for the partnership.

Strong alignment between council strategic priorities

- Both councils' priorities are strongly aligned in 5 of 7 priority areas (economy, climate, planning, Council Tax and health and wellbeing).
- Priorities across the remaining 2 areas (housing and support services) reflect the differences in service delivery models (i.e. HDC has no housing stock/HRA).

Alignment of organisational values

- Although different in places, both councils share common value in relation to serving and putting their respective residents, businesses and communities first.
- Both councils value care, fairness and voice, and champion innovation in the services they provide.

One council benefiting from the others expertise and capacity

 Significant scope exists for mutually beneficial arrangements across a range of service areas, including CCTV (MBC accessing HDC's monitoring and maintenance functions) and housing (MBC housing management expertise presenting an opportunity for knowledge transfer and supporting HDC aspirations for temporary accommodation).

A commitment to respecting local variance

- Both councils recognise that a 'one size fits all' approach would fail to meet the needs of communities and businesses. For example, Harborough has a comparatively higher rural population (66%), while the majority of Melton's population is urban (64%) – (ONS classifications*).
- Safeguards will be in place to ensure that local variance is understood and respected; both councils (via Full Council) are required to agree joint approaches. Each DCEO will retain operational responsibility and accountability for the services delivered by their respective council.

^{* =} ONS classification, rural = rural town and fringe and rural village and dispersed

1.12 - Strategic case - performance against intended benefits





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit
Intended benefit	Rationale	Rationale
Maximising our influence - speaking on behalf of South and East Leicestershire, increasing our collective influence regionally and nationally through a stronger, louder and more united voice.	Combined voice across two councils, collectively representing the 147th most populated area and 27th largest area in terms of geographical area. Single representation at local partnerships and forums and single line of contact to Integrated Care Boards, Rural Partnership.	Continuation of current challenges and barriers that impede influence. Duplication of CEO roles on external relations, with both councils experiencing similar challenges but not speaking with a single voice. Some potential for collective representation, but not formalised and unlikely to be co-ordinated effectively on an ongoing basis.
Maximising our collective strengths - working together to respond to and address shared and common challenges and opportunities at a local, corporate and subregional level.	Significant potential for a single place leadership function to respond to shared challenges. Shared CEO would play a pivotal role in co-ordinating a joint response and adopting a long term strategic approach to place shaping.	Continuation of current arrangements which demonstrate some joint working to address common challenges. As partnership arrangements are not formalised, potential for joint working to be ad-hoc and not part of a long place shaping strategy that would realise greater and more sustained benefits.
Futureproofing both councils and shaping the future collaboration agenda; cementing a solid and flexible foundation for long term partnership working.	Establishing a formalised strategic partnership would establish a new relationship and joint working culture across both councils. Phased approach to investigation and reform demonstrates the ability to implement significant shared arrangements over a 3 year period, increasing the pace of progress and improvement.	Continuation of current arrangements has the potential to result in specific areas of joint working, but would not create an equitable platform to investigate and implement reforms. Without such formalised structures in place, future possible local government reform is unlikely to recognise service level innovation over more formalised structures that lead to improved outcomes, value for money and efficient public services.

1.12 - Strategic case - performance against intended benefits





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit
Intended benefit	Rationale	Rationale
Increasing service resilience - sharing resources, learning and good practice.	A phased approach to investigation has/will identify a range of service areas and management structure that could be reformed to improve sharing of resources, learning and good practice. Assuming the commitment of both councils to the strategic partnership, both organisations will be committed (politically and at officer level) to objective investigation and effective implementation of reforms that increase the resilience of services.	Phased approach to investigation identifies a range of service areas and management structures that would be implemented outside of a strategic partnership. However, given no formal commitment by both councils to the sharing of arrangements, the pace and effectiveness of reforms is likely to be slower and less comprehensive (given the lack of a political and officer led mandate for reform).
Improving organisational effectiveness - a joint approach that reduces duplication, increases service quality and improves outcomes.	The phased approach to investigation identified a range of services and management structures that could be reformed through a joint approach to reduce duplication and increase service quality. The investigation process will require the development of business cases that demonstrate how the reforms will benefit residents and communities.	The phased approach could be implemented without a strategic partnership, however the pace and effectiveness of these reforms without an agreed and
Accelerating the pace of progress/improvement and increasing the impact realised by both councils – a joint approach that reflects the best of both councils.	The phased approach identifies opportunities to protect, maximise and share the assets of each council (expertise, best practice, systems and intelligence). A corporate commitment to moving at pace and realising the required level of impact would ensure the pace of reform is a priority, with appropriate monitoring and oversight arrangements in place to enable sound programme management, scrutiny and oversight.	formalised joint approach is unlikely to realise the same levels of pace and impact as would be achieved via a strategic partnership. A joint approach would need to be agreed for each area of reform, however this is likely to be less efficient and cost effective.

1.13 - Economic case - summary



Clear demonstration of options considered

- Clear rationale for exploring the strategic partnership option, following options appraisal (by HDC) exploring a longlist of leadership, senior management and government arrangements.
- Clear justification on why HDC identified MBC as their preferred strategic partner.

Cost apportionment proposals align with design principles

- Following the exploration of a range of options, the joint position of both councils is that the cost of the Shared CEO and DCEOs will be shared 50/50 between both councils.
- This aligns with the design principle agreed with elected members from both councils: Design principle 5 - Create a mechanism that allows the effective and equitable deployment of resources A clear, transparent and agreed mechanism exists to ensure that the time of shared officers are fairly allocated to each council.

Economic value realised through the Shared CEO role

- The Shared CEO will do things once, rather than separate CEOs doing things twice in (potentially) a less co-ordinated manner.
- The Shared CEO having a single conversation with external stakeholders and partners, as opposed to two Chief Executives having two conversations with the same stakeholder (currently c30% of Chief Executive time is spent on external issues).
- The ability for the Shared CEO to provide a single, louder voice on issues impacting on the councils, communities and businesses.
- The ability for the Shared CEO to promote a single vision and narrative on behalf of both councils; there is therefore less scope for ambiguity and greater clarity as a result of both councils adopting a single position on shared challenges.
- A single officer (the Shared CEO) being well positioned to flexibly allocate resources, skills, capabilities and systems to address emerging place based challenges.

Significant potential for efficiencies and increased productivity

- Planning policy shared procurement of key advice, aligning processes and systems. Reciprocal S106 monitoring, AMR (Annual Monitoring Report).
- Leisure centres align elements of leisure operator procurement arrangements.
- Environmental services opportunity to work together to prepare for and implement requirements of Leicestershire waste strategy.
- Business support / Economic Development shared management of activities for business support and skills using UKSPF.

Significant potential for service improvement and resilience

- Waste and Environmental services shared leadership approach across both councils. Potential to share administrative resource. Work together to prepare for and implement requirements of Leicestershire waste strategy.
- Strategic Housing / Homelessness / Housing Needs thematic leadership in key areas e.g. homes for Ukraine, domestic abuse etc.
- Increased resilience through a shared approach to legal services.

Potential economic value realised as a result of effective and successful joint approaches to placed based issues

- Increased GVA per hour worked
- Increase in employment rate (skilled / unskilled)
- Increased average wage
- Increased number of apprenticeships
- Increased number of young people remaining in HDC and MBC
- Reduction in relative indices of deprivation ('IMD') position, particularly in LSOAs identified as experiencing inequality and deprivation
- Higher life expectancy
- Improved quality of life
- Reduced levels of isolation

1.13 - Economic case - performance against intended benefits





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit		
Intended benefit	Rationale	Rationale		
Increased levels of inclusive growth, reduced deprivation and improved outcomes - doing more for our local communities and businesses.	A joint approach to the causes of deprivation and inequality is likely to realise increased benefits (compared to a single council response) – a combined council response will have access to collective expertise and resources, greater levels of strategic influence and the potential to attract greater levels of public and private investment.	Single council responses to the causes of deprivation can address the causes of deprivation and inequality, however such a response could potentially be more costly and less effective; the councils may collaborate on single causes of deprivation, however this is likely to realise less impact that a combined and holistic place based approach to addressing the identified causes.		
Maximising external investment; enabling the future prosperity for our communities and businesses	The strategic partnership provides a platform for joint bids for public and private funding. Given that both councils will have shared place strategies, bid applications will be able to demonstrate a collaborative approach to addressing shared issues, while bids will focus on the needs of combined populations, which will likely represent a stronger value for money case for investment. Additionally, the potential to demonstrate match funding is greater across two councils than one.	A single council approach to attracting external investment may be successful, but will lack the scope, scale and collective ambition of a joint council approach. The value for money case for investment is likely to be less compelling, while each council will be limited in relation to the availability of match funding/assets to attract investment or secure grant funding. Without a shared place based approach, the proposition may be well appealing to investors and funders.		

1.13 - Economic case - performance against intended benefits





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit
Intended benefit	Rationale	Rationale
Maximising impact by jointly addressing shared challenges, including net zero, cost of living, health and wellbeing, digital connectivity, housing affordability etc.	Joint place-based approaches to addressing shared challenges, informed by shared strategies, has the potential that maximise impact; shared resources, expertise and leadership across both councils will be focussed on securing partner buy-in, attracting investment and securing improvements. A joint approach is likely to realise greater levels of strategic influence and the potential to attract greater levels of public and private investment. Additionally, the strategic partnership can establish the required conditions for increased service efficiencies, productivity, resilience and growth.	Single council responses to place based challenge may be effective, however such a response could potentially be more costly and less effective; the councils may collaborate on single issues, however this is likely to realise less impact and demonstrate a weaker value for money/cost benefit position. The current arrangement between council can drive increased service efficiencies, productivity, growth etc., however this is likely to be achieved on a service by service basis, rather than being part of a wider programme of transformation.
Increased impact realised through collective campaigns and public awareness initiatives	Shared strategies and joint approaches to campaigns, using the expertise and reach of both councils, is likely to realise a higher degree of effectiveness than a single council approach. MBC have already highlighted HDC's success re: fly tipping.	Single council campaigns can be effective (i.e. HDC's fly tipping campaign), however they will likely have less impact than shared campaigns.

1.14 - Financial case - overview of approach

Meltor Boroug Council

The financial case focusses on the financial implications of the strategic partnership proposition:

- Creation of the Shared CEO post across both councils.
- The creation of two Shared DCEO posts, with each postholder being employed by one of the councils and assuming thematic responsibilities spanning both councils.
- The investigation and implementation (subject to the approval of both councils) of the phase 1 and 2 opportunities identified within section 6.

For each of the above, a separate analysis has been undertaken to assess the financial impact of the transformation from the perspective of each councils. Current benchmarked costings are used to provide a cost baseline for existing posts, while market information from other councils employing shared Chief Executive Officers and Deputy Chief Executives has been used to identify the appropriate salary point for the new roles.

All assumptions that inform the calculations are identified, including the underlying assumption that cost apportionment across the councils for the senior roles detailed above is based on a 50/50 split. This approach would ensure a balanced and equalised strategic leadership approach across both organisations within the partnership. Additionally, the costs of change incurred (business case, MoA and associated transitional and mobilisation advice) have been identified and included within the analysis.

It is important to note that a 50/50 split will not always be the starting point. Where business cases are developed which consider the sharing of other officers or services the Section 151 Officer(s) shall determine the appropriate rationale to be utilised which means that a different approach to apportionment may be applied. Examples are included within the MoA.

The analysis provided within the financial case focusses solely on potential financial (cashable) considerations. Other financial (non-cashable) benefits, such as increased productivity and service resilience are considered within the economic case.

Shared services have delivered savings for both councils, but more importantly it has provided a larger, more resilient base from which to transform.

Kevin Dicks, Chief Executive, Bromsgrove District Council and Redditch Borough Council



1.14 - Financial case - summary (HDC)





Overview of identified savings

	2023/24 Non-cumulative	2024/25 Non-cumulative	2025/26 Non-cumulative	Total cumulative over 3- year period
Savings - Shared CEO*	-£41,184			-£123,552
Shared DCEO*	£18,512			£55,536
Savings - Director of Communities*	-£79,289			-£237,867
Savings - phase 1 and 2 collaboration	-£120,469	-£26,146	TBC	-£413,699
Cost of change	£32,200	-		£32,200
Total saving	-£190,230	-£26,146	-	-£687,382

^{* =} Note: salary costs shown above do not include on-costs so actual savings would be higher.

Savings offsetting identified deficit

	2023/24	2024/25	2025/26	Total cumulative over 3- year period
Deficit identified (MTPS)	£1,377,000	£1,367,000	£1,620,000	£4,364,000
New savings identified (cumu	-£687,382			
Cumulative savings as % of c	15.6%			

1.14 - Financial case - summary (MBC)





Overview of identified savings

	2023/24	2024/25	2025/26	Total cumulative over 3- year period
Savings - Shared CEO*	-£43,930			-£131,790
Shared DCEO*	£18,547			£55,641
Savings - phase 1 and 2 collaboration (including one off savings)	-£49,597	-£22,144	TBC	-£187,579
Cost of change	£32,200			£32,200
Total saving	-£42,780	-£22,144	-	-£231,528

^{* =} Note: salary costs shown above do not include on-costs so actual savings would be higher.

Current gap identified within MTFS

	2023/24	2024/25	2025/26	Total cumulative over 3- year period
Deficit identified (MTPS)	£140,000	£378,000	£218,000	£736,000
New savings identified (cumu	-£231,528			
Cumulative savings as % of c	31.5%			

1.14 Financial case





HDC

The proposed establishment of the strategic partnership is forecasted to realise the council a cumulative saving of £687,382 over the 3 year period 2023/24 to 2025/26.

The council will realise an annual saving of c£41k in relation to the Shared CEO post, although an additional cost of employing a Shared DCEO with thematic responsibilities across two councils will be incurred (c£18.5k per annum).

The deletion of the Director of Communities realises an annual saving of c£79k, with this saving made possible by the MBC DCEO assuming thematic responsibility for communities.

The council is forecasted to realise a saving of c£120k in 2023/24 as a result of the implementation of service transformation identified within phase 1, including the establishment of a shared MO post across both councils. A further c£26k will be saved each year from 2024/25 as a result of phase 2 transformation.

The council currently has a cumulative unfunded deficit of £4,364k over the same period; the savings forecasted through the implementation of the strategic partnership arrangement represent 15.6% of this deficit.

As outlined within section 8, the implementation of the strategic partnership is anticipated to realise the council, communities and businesses a range of non-cashable economic benefits (improved service resilience, increased efficiency and productivity etc.) that are not reflected within the above financial forecasts.

MBC

The proposed establishment of the strategic partnership is forecasted to realise the council a cumulative saving of £231,528 over the 3 year period 2023/24 to 2025/26.

The council will realise an annual saving of c£44k in relation to the Shared CEO post, although an additional cost of employing a Shared DCEO with thematic responsibilities across two councils will be incurred (c£18.5k per annum).

The council is forecasted to realise a saving of c£49k in 2023/24 as a result of the implementation of service transformation identified within phase 1, including the sharing of a MO. With the exception of a single one-off £2,750 (parking strategy), all other savings represent a reduction to the cost base for future years. A further c£22k will be saved in 2024/25 as a result of phase 2 transformation.

The council currently has an indicative cumulative unfunded deficit of £736k over the same period; the savings forecasted through the implementation of the strategic partnership arrangement represent 31.5% of this deficit.

As outlined within section 8, the implementation of the strategic partnership is anticipated to realise the council, communities and businesses a range of non-cashable economic benefits (improved service resilience, increased efficiency and productivity etc.) that are not reflected within the above financial forecasts.

Although HDC is forecasted to realise a greater value of financial savings over the 3 years, HDC has a higher unfunded deficit to address. While HDC would realise a forecasted £637k of savings, this equates to 15.6% of the identified deficit. MBC is forecasted to realise savings of £231k over the same period, representing 31.5% of their unfunded deficit.

1.14 - Financial case - performance against intended benefits





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit
Intended benefit	Rationale	Rationale
Improved financial sustainability - through growth, efficiency/removal of duplication and the realisation of savings.	Each council is forecasted to realise savings over a 3 year period, representing an improvement in their respective financial positions. However, the value of savings forecasted by both councils is insufficient to offset the full unfunded deficit being forecast by both councils. In the context of the significant financial pressures facing Local Government, both Councils will need to continue to plan ahead to achieve a pipeline of savings and efficiencies.	The 'do nothing' scenario would not realise either council the level of savings that have been identified within the strategic partnership financial case. In relation to HDC specifically, savings associated with joint posts are currently assumed within the 22/23 budget, in addition to savings being assumed in future years. Should the strategic partnership not be implemented, these savings would not be realised until alternative plans are agreed and implemented.
Improved value for money - through sharing capabilities, resources and working practices.	In addition to the financial savings forecasted, additional non-monetised economic benefits would be realised, enabling each council to do 'more with the same' or 'more with more', as duplication is removed, additional skills and capacity made available and shared etc.	While certain elements of phase 1 could be implemented outside of the strategic partnership, this is likely to be on a service by service basis; it is therefore unlikely that the full benefits of a programme wide approach to transformation would be realised. Benefits would instead be specific to services or individual posts and would not benefit from the partnership infrastructure and leadership.
A net financial benefit to the councils – ongoing savings, efficiencies and added value outweigh the costs of change.	Each council is forecasted to realise a net benefit as a result of establishing the strategic partnership: HDC - a cumulative financial saving of £687,382 over the period 2023/24 to 2025/26. MBC - a cumulative financial saving of £231,528 over the period 2023/24 to 2025/26.	The opportunity cost of the councils not implementing the strategic partnership equates to the forecasted cumulative saving for each council that would be realised through the implementation of the strategic partnership. Additionally, the councils have already incurred the costs of change identified within this financial analysis.

1.15 - Commercial case - summary





Bespoke governance to support the implementation and ongoing management/leadership of the strategic partnership

- Governance arrangements will ensure the sovereignty of both councils, with the respective Full Councils required to approve all proposals for collaborative working.
- The MoA defines and determines the nature of the partnership; it is based on design principles agreed by both councils and sets out the desire for the arrangement to be a 'cost sharing, rather than savings sharing' partnership.

A clearly defined approach to cost apportionment

- The agreement of a Section 113 arrangement to establish the Shared CEO role.
- Following the exploration of a range of options, the joint position of both councils is that the cost of the Shared CEO and DCEOs will be shared 50/50 between both councils.
- The above arrangement mitigates the risk of cross subsidisation between councils. Alternative apportionment arrangements (outside of the funding of Shared CEO and DCEO posts) are identified, including rationale relating to population, Council Tax base, geographical area or other service specific rationale. The Section 151 officers from both councils will be required to determine the most appropriate for each proposal outside of the Shared CEO and DCEO posts.

Sovereign safeguards

- Both councils remain sovereign and retain current decision-making powers in relation to council budgets and investments.
- Additionally, the 12 month review process will assess the effectiveness of the strategic partnership.
- Given that HDC does not hold housing stock or operate a HRA, financial controls are in place to ensure separation between MBC's HRA, General Fund and HDC's General Fund account.

Defined process for agreeing shared priorities and approaches

- The councils would undertake a phased approach to the investigation of opportunities for collaboration.
- The Strategic Partnership Programme Board would be responsible for identifying opportunities for collaboration.
- The Shared Strategy Board (consisting of all Cabinet members from both councils and the Shared CEO) would instruct the Strategic Partnership Programme Board to develop businesses cases for opportunities that it felt would be most likely to achieve the intended benefits of the strategic partnership.
- Should the Shared Partnership Board consider the proposal to be desirable, viable and feasible, it would recommend to and seek approval from both councils.

Workforce considerations

- Given that both councils' current pay policies and structures do not cater for joint roles, benchmarking has been undertaken to identify the appropriate pay scale for each role.
- Both councils will be required to develop and agree new pay policy statements and pay structures to ensure the shared roles fall within the pay structures of both councils.
- The strategic partnership would prioritise a joint workforce strategy that creates the conditions for improved recruitment and retention. The identified opportunities for service collaboration demonstrate the potential for councils to share staff, skills and resources. Additionally, the opportunities for service growth will create development opportunities for staff.

Increased purchasing power

 A joint approach to commissioning (i.e. the implementation of shared place based strategies) and procurement will increase the purchasing power and improve the negotiating position of both councils.

1.15 - Commercial case - summary





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit
Intended benefit	Rationale	Rationale
Increased purchasing power – improved value for money and the ability to shape, influence and support local/regional markets.	Significant potential for increased purchasing power through joint commissioning and procurement exercises, as demonstrated by the leisure operator example. The strategic partnership would create the framework and conditions for planned and sustained joint commissioning and procurement activity, with the developed of shared place based strategies providing the basis for joint commissioning across a range of service/outcome areas.	Both councils would be in a position to undertake joint commissioning and procurement. This would however not be on a structured and scheduled basis. The ability of both councils to collectively shape and influence local markets would be limited when compared to a joint approach under a strategic partnership.
Increased opportunities for job enrichment, development and progression.	Through the sharing of services, staff and skills, in addition to the service growth identified, significant opportunities exist for both councils to offer job enrichment, development and progression.	Current arrangements and opportunities have resulted in services suffering from a lack of resilience; recent examples demonstrate how whole teams can be left severely understaffed should employees be recruited by neighbouring councils offering higher salaries and improved progression opportunities.

1.15 - Commercial case - summary





	Strategic partnership - demonstrable potential to achieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit
Intended benefit	Rationale	Rationale
Improved recruitment and retention rates.	Retention - Proposals demonstrate increased opportunities for development and progression across a range of service areas, driven by sharing of services and expertise, service growth and increased productivity. Recruitment - By sharing a workforce strategy, both councils will be actively working together (and not competing against each other) across recruitment markets. The level of shared services being proposed indicate that both councils will be sharing the risk and cost of recruitment.	Retention - Both councils currently experience challenges associated with staff retention. Currently a large proposition of HDC's leadership team is appointed on an interim basis, while MBC has experienced significant challenges associated with retaining staff appointed to specialised posts (housing, planning etc.). Recruitment – Without meaningful collaboration, both councils are likely to be in competition for high quality staff. While both councils are able to demonstrate development and progression routes, these are below those that would be available via a strategic partnership.
Both councils being viewed as 'employers of choice'.	Clear potential to increase opportunities for job enrichment, development and progression. Significant opportunities to improve recruitment and retention rates.	Potential to increase opportunities for job enrichment, development and progression, however fewer opportunities will exist due to the lack of a shared workforce strategy and joint approach to recruitment and retention.

1.16 - Management case - summary



Senior leadership structure

- The proposed structure creates a Shared CEO and two Shared DCEOs and determines the specific roles and responsibilities for each shared post, providing clarity and assurance for individual sovereign councils.
- The proposed structure is the initial stage of structural change to support initial establishment of the strategic partnership, further structural changes are likely but will form part of the business case proposals to be considered by the Shared Stakeholder Group and the Shared Strategy Board. All further changes will require the approval of both sovereign councils as set out in the MoA.

Workforce considerations

- The statutory role of Electoral Registration Officer ('ERO') and Returning Officer ('RO') will remain separate for both councils; the Chief Executive of MBC (the Shared CEO of the strategic partnership) would remain the ERO and Returning Officer for Melton, and the substantive Deputy Chief Executive of HDC would remain the ERO and Returning Officer for Harborough.
- The current Director of Communities (HDC) has been appointed on an interim basis, with the term due to end in March 2023. Given that the Shared DCEO for MBC will hold thematic responsibility for communities (and housing), the intention is to delete the current Director of Communities role on 1st April 2023, with the budget retained in reserve pending a further review.

Phased approach to investigation and implementation

• Should the strategic partnership be established, the councils would undertake a phased approach to the investigation of opportunities for collaboration. Both councils have identified examples of where service collaboration is being actively considered currently; these opportunities (see pages 110 to 120) would be the first to be investigated through the phased approach.

Transformation capacity and capabilities

- The Strategic Partnership Programme Board (chaired by the Shared CEO) would oversee the mobilisation of the strategic partnership and phased investigations.
- · Shared transformation capacity and expertise is required to ensure a smooth transition to the new arrangements, in addition to an ongoing requirement for transformational capacity as the partnership moves into the 'business as usual' stage. The is for both intention councils to assess capacity/capabilities and future requirements as part of phase 1 investigations.

12 month review cycle

- · Should the strategic partnership be established, both councils would commit to an ongoing 12-month review of arrangements.
- Following local elections in May 2023, both councils would present elected members with an initial update on the strategic partnership, in terms of progress made, issues to be addressed and potential quick wins that could be implemented.
- From January 2024 onwards, both councils would undertake an annual 12-month review of the strategic partnership, with both councils (Full Councils) being updated on progress, priorities, risks and dependencies.

Exit arrangements

- The MoA outlines the necessary steps and processes that would be required should either council wish to terminate the strategic partnership, or a particular shared arrangement (i.e. a shared service).
- In the event that staff in joint roles are required to return to their employing council, each employee will revert to their substantive post in the employing council as per the Section 113 arrangements, unless otherwise agreed.

1.16 - Management case - Summary roadmap





An operational implementation plan has been developed as part of the design of the strategic partnership proposition. A summary of the plan is provided below.







Mobilisation of the strategic partnership

Establishment of new arrangements, pending decision by both councils.

Phase 1 Jan-May 2023

Undertake and complete investigations relating to all proposed phase 1 collaborations.

Shared Strategy Board to consider all proposals and make recommendations to both councils.

Performance update - May-July 2023

Initial review of strategic partnership performance.



Phase 3 - Jan-Dec 2024

Undertake and complete investigations relating to all proposed phase 3 collaborations.

Shared Strategy Board to consider all proposals and make recommendations to both councils.



12 month review - Jan-Feb 2024

First annual review of strategic partnership presented to both Full Councils.



Phase 2 - May-Dec 2023

Undertake and complete investigations relating to all proposed phase 2 collaborations.

Shared Strategy Board to consider all proposals and make recommendations to both councils.

1.17 - Risk register





A summary risk register is provided below, detailing the strategic risks and mitigations associated with the establishment of the strategic partnership. Both councils will hold and maintain a full risk register which will be managed as part of ongoing risk management arrangements.

Theme	Risk	Mitigation
	The failure to identify a clear shared vision, objectives, goals, and focus for the strategic partnership which lead to ineffective working, misunderstandings and disagreements.	To establish a shared vision for the strategic partnership through close working between Cabinets and senior leadership teams. To support this vision in the design principles of the business case and formalise through the Memorandum of Agreement. To ensure that the business case and Memorandum of Agreement are appropriately and effectively scrutinised and comments are considered by the Cabinet and Council.
Leadership and	The perceived imbalance or unfairness from one party about what they get or will get from any partnership collaboration. Perception that one council's priorities, size or influence are dominating to the others.	To communicate well and set clear expectations as a framework for the partnership. To ensure the Memorandum of Agreement defines a clear mechanism for the apportionment of costs and established a regular basis for reporting the progress of the strategic partnership to Council. To ensure the decisions associated with the strategic partnership remain the responsibility and authority of the individual sovereign councils and that this principle is embedded in the business case and the Memorandum of Agreement.
Governance	The strategic partnership would impact on sovereignty and identity leading to councillor mistrust of the partnership.	To ensure clear and agreed governance principles and processes for sovereign council decision making and scrutiny arrangements are embedded in the design principles of the business case and the governance arrangements within the Memorandum of Agreement. To ensure regular communication with councillors, parish councils, stakeholders and the public. To provide opportunity for learning from other council partnerships (officers and members).
	The perception that staff are not 'local' enough or connected to the community / that staff will be unable to understand the distinct needs of places (and places within places).	To ensure visibility with members and the community in both places, relevant to role. To understanding the distinct nature of place and provide for political led sovereign council decisions to support local outcomes. To identify areas of commonality and shared approaches to 'place'. To harness digital capabilities to ensure agile or remote working does not impact on service delivery or connection with members, staff, stakeholders or local communities.

1.17 - Risk register





Theme	Risk	Mitigation
Capacity, Resources	The failure to resource effectively any transitional and transformational arrangements, with officers overstretched leading to impacts on service delivery, and organisational effectiveness.	To resource the transitional and transformational programme in the same way that existing Council programmes are led, supported and delivered ensuring that the resourcing requirements is identified as part of the business case being recommended to the Shared Strategy Board and Shared Stakeholder Board as set out in the Memorandum of Agreement. Undertake review of existing capacity and capability and assess future requirements, as part of phase 1 investigations (transformation support and executive support).
and Resilience	That existing projects and programmes may be delayed due to diversion of capacity to support the development, implementation and delivery of the strategic partnership.	The implementation and delivery of the strategic partnership will enable benefits to be achieved in a more effective and efficient way. Each sovereign council will be able to determine via their decision-making the appropriate timing for any new projects and programmes alongside their existing commitments, objectives and deliverables. The Shared Chief Executive and Shared Deputy Chief Executives will be responsible for ensuring the delivery of new opportunities, as identified in the business case, alongside the existing projects and programmes of each sovereign council.

1.17 - Risk register





Theme	Risk	Mitigation
Financial	That savings cannot be made or realised, which undermines confidence in the partnership.	A robust mechanism for establishing the business cases will be established as part of the governance arrangements contained within the Memorandum of Agreement. The Shared Stakeholder Group will have oversight of the benefits programme of the strategic partnership, the Shared Strategy Board will ensure the strategic benefits of the partnership are being achieved. Individual sovereign councils will make the decisions on each opportunity which will be subject to the normal scrutiny processes. The Memorandum of Agreement establishes the basis of reporting the progress and success on the strategic partnership on an annual basis.
	That costs and savings are not apportioned fairly leading to breakdown in relationships and loss of trust.	The Memorandum of Agreement establishes a clear basis of costs apportionment for the strategic partnership which will form part of the recommendations to each sovereign council.
Workforce, Culture and Communicat ion with Staff	That poor or ineffective communication to staff leads to mistrust and demotivates staff.	Regular staff engagement sessions have been established across both sovereign councils. This will continue and include regular briefings, emails, and written updates. Joint staff working groups and staff champion groups will be established and staff engagement and communication will be built into the business case development timeline and implementation plans as part of the recommendations. Senior team (particularly those moving into shared roles) will introduce themselves to staff and be known to staff in both councils. A shared celebration of successes and achievements will established with an aim to build shared sense of pride in the strategic partnership for all staff.
External	That wider stakeholders (including other councils) do not understand the new arrangements or are not supportive.	A proactive engagement with partners is in place, and with key stakeholders including MPs. This includes communication during business case development phase and upon implementation. There is a commitment to communication and increased visibility of partnership achievements.
External	That existing partnerships may feel threatened and be undermined by the strategic partnership.	Each sovereign council's commitment to existing partnerships will be clear to those respective partners (such as Revenues and Benefits Partnership) to avoid perception that existing partnership arrangements will be undermined. Each sovereign council will commit to seek to avoid destabilising existing partnerships.

1.18 - Summary of findings





The business case has appraised the strategic partnership proposition and 'do nothing' alternative against the intended benefits identified by both councils. A summary of the performance of both options against the intended benefits is provided below:

n =		ategic pl dership	ace	原		unities ar sinesses	nd		Organisat effectiver			Workfo	rce	Film F	inancial	resilienc	e
	Maximising our influence	Maximising our collective strengths	Futureproofing both councils ′.	Inclusive growth, reduced deprivation & improved outcomes	Maximising external investment.	Maximising impact by jointly addressing shared challenges	Increased impact realised through collective campaigns	Increasing service resilience.	Improving organisational effectiveness	Accelerating the pace of progress & improvement	Job enrichment, development and progression	Improved recruitment and retention rates.	Both councils being viewed as 'employers of choice'.	Improved financial sustainability	Improved value for money	Increased purchasing power	A net financial benefit to the councils
Strategic partnership																	
Do nothing					•												

1.18 - Summary of findings



The analysis of the strategic partnership proposition has identified the following benefits that would be realised should the option be implemented. A summary of the benefits that would be realised by the strategic partnership (as opposed to remaining with current arrangements) is provided below:

Strategic place leadership

- A combined and louder voice that results in increased strategic influence, with the strategic partnership representing the 147th most populated and 27th largest geographical area.
- Single representation at local partnerships and forums and a single line of contact to Integrated Care Boards, Rural Partnership etc.
- Significant potential for a single place leadership function to respond to shared challenges.
- A new relationship and joint working culture across both councils that enables the ongoing investigation and implementation of shared arrangements.

Communities and businesses

- A joint approach to addressing the causes of deprivation and inequality, involving the sharing of expertise and resources, while possessing greater levels of strategic influence and the potential to attract greater levels of public and private investment.
- Shared strategies and joint approaches to campaigns, using the expertise and reach of both councils, is likely to realise a higher degree of effectiveness than a single council approach.

Organisational effectiveness

 A phased approach to investigation will facilitate the investigation of a range of service areas and management structures that improve sharing of resources, learning and good practice

- The investigation process will require the development of business cases that demonstrate how reforms will benefit residents and communities, demonstrating an attractive benefit cost ratio.
- The investigation process will identify opportunities to protect, maximise and share the assets of each council (expertise, best practice, systems and intelligence). A corporate commitment to moving at pace and realising the required level of impact would ensure the pace of reform is a priority, with appropriate monitoring and oversight arrangements in place to enable sound programme management, scrutiny and oversight.

Workforce

- Through the sharing of services, staff and skills, in addition to the service growth identified, significant opportunities exist for both councils to offer job enrichment, development and progression opportunities.
- By sharing a workforce strategy, both councils will be actively working together (rather than competing against one another) to recruit the best applicants.

Financial resilience

- Each council is forecasted to realise savings over a 3 year period, representing an improvement in their respective financial positions.
- However the value of savings forecasted by both councils is insufficient to offset the full unfunded deficit being forecast by both councils.
- In addition to the financial savings forecasted, additional nonmonetised economic benefits would be realised (increased productivity, service improvement and resilience, potential for service growth).





Learning from elsewhere and our own experiences

Examples and evidence from elsewhere





A significant number of councils have established some form of collaborative arrangements, ranging from shared Chief Executives and management teams, through to shared services and operational resources. A number of examples of such arrangements are provided below:

Brentwood Borough Council and Rochford District Council - Following an initial six-month trial period involving the creation of a Joint Chief Executive, RDC and BBC formalised their **strategic partnership** in January 2022. The trial period allowed both councils to gather and implement learning from other similar arrangements elsewhere, in addition to undertaking work to assess whether the full implementation of a strategic partnership would realise practical and tangible benefits. The relationship between both councils has now been formalised through a formal collaborative partnership agreement; both councils retain their sovereignty and independent governance.

"Working closer together offers both councils increased capacity, opportunities and resilience, together with greater financial stability. We are starting with the sharing of a Joint Chief Executive which offers both councils an immediate financial saving and assists in the creation of this strong strategic partnership between our two councils. It is a challenging time for local government but through our strategic partnership we are now able to explore possibilities that will offer the potential to strengthen and improve services for both councils and our residents." Rochford District Council Leader.

Adur District Council & Worthing Borough Council - In 2007, ADC and WBC took the decision to work in partnership. The original goal was to create a single, senior officer structure and shared services across the two councils and to deliver savings and efficiencies for both councils. The single senior officer team was created in April 2008 and since then all services (except Adur Homes, Worthing Leisure and Worthing revenues and benefits) have become joint teams, providing joint services to the people of Adur and Worthing.

Significant savings and efficiencies have been found by the reduction in senior management posts and subsequent restructures as teams have been bought together. Some came about through voluntary redundancies and some from job evaluation as the new teams have been constructed. Important savings and efficiencies have come from joint procurement initiatives, service reviews and service re-designs, etc.



With a population of 170,000, we are big enough to make things happen but small enough that partners respect our understanding of our place and communities.

Alex Bailey, Joint Chief Executive, Adur District Council and Worthing Borough Council



Examples and evidence from elsewhere





Staffordshire Moorlands District Council & High Peak Borough Council - The two councils formed a strategic alliance in 2008 to establish joint working arrangements and create a shared approach to delivering key services. The councils share management structure while maintaining council sovereignty. In the first ten years of the partnership (2008-2018) savings of £12.2m were realised as a result of a shared staffing structures and joint procurement. Transforming how services are delivered to ensure that value for money is achieved whilst protecting the services people rely on has realised SMDC £6.6m since 2008, while establishing a new waste and operational services company will save the council £1.2m. Additionally, council tax charges were frozen for 7 years in succession.

"The Alliance has enabled both Councils to protect essential services and to share best practice from both areas whilst maintaining the independence and distinctive characteristics of each of our areas which are so important to our residents". Leader of High Peak Borough Council

Vale of White Horse District Council & South Oxfordshire District Council - The two councils formalised their joint senior management team structure in June 2021, having already operated an interim senior management structure for two years to aid the delivery of shared corporate priorities. The joint management team includes a Joint Chief Executive, three Deputy Chief Executives and a Head of Legal and Democratic Services.

"Our continued partnership with the Vale is a fantastic strength to draw on, sharing our expertise and leadership approach to support communities across the districts through what has been a very challenging time. Looking ahead, this formalisation with further strengthen our leadership foundation and will benefit residents by enabling us to plan our services to support evolving future needs." Leader of South Oxfordshire District Council

Bromsgrove District Council & Redditch Borough Council - Since 2008 BDC has been sharing its services with neighbouring RBC to improve and protect local services to residents. At the same time, an ongoing root-and-branch transformation of everything the council does is moving the customer to the heart of every decision, in a bid to improve efficiency and bring the best out of local services.

BDC and RBC share their services and management team. Additionally, there are various sharing arrangements across councils in Worcestershire, e.g. Worcestershire Regulatory Services, for all councils in Worcestershire, hosted by Bromsgrove District Council, and North Worcestershire Economic Development and Regeneration, for BDC, RBC, and Wyre Forest District Council, hosted by Wyre Forest District Council.

Broadland District Council and South Norfolk Council - The two councils have a long history of working in partnership. In July 2018 the councils decided to start the journey towards forming a **collaboration**. Working together, they deliver key services that residents, communities and businesses value the most. The two councils operate as independent councils with their own constitutions, elected members and committees, who are supported by one joint officer team.

Collaboration - the potential benefits





The Local Government Group ('LGG') published their 'Stronger together – shared management in local government' report in 2016. The report identified numerous potential benefits associated with shared management structures:

- Cost savings and efficiencies the potential to get 'more for less' making cost savings while improving services through transformation
 and shared resources. Cost savings can come directly from fewer
 management or staff posts or from economies of scale, reduced
 duplication, greater procurement power, sharing resources such as IT
 or accommodation and more efficient service delivery.
- Wider transformation shared management provides an opportunity to look at things from a fresh perspective and is often used to drive major transformation programmes to improve efficiency and effectiveness across a council's services. Ambitions can often be achieved more easily if the work and resources are spread across a wider area. This can be underpinned by shared strategic plans, financial strategies, procurement strategies and joint infrastructure projects.
- Resilience and greater collective capacity At its most effective, crosscouncil collaboration is used to bring the best of both (or all) the councils together. By combining their strengths, councils can deliver more efficient and effective public services while simultaneously increasing their sustainability and resilience.

One advantage is the resilience provided by the ability to share officer capability and access a broader range of expertise, even if only on a part-time basis. Ensuring that managerial expertise is kept in-house provides a longer-term advantage beyond the initial cost savings and plays a key role in service improvement. It can also help with retention of managerial talent.

Other key findings from the report include:

- Shared management can act as a springboard for transformation, improve efficiency and service delivery and enhance the resilience and capacity of individual councils.
- The most successful partnerships are those that consider which approach might work best and adopt elements of it in one, both or all councils. This hybrid approach allows the best of each council to flow into the new partnership.
- Should the councils involved adopt a hybrid working model for staff, travelling time can be reduced through the use of technology such as video meetings.



Shared management is about driving efficiencies but more importantly it is about sharing skills, capacity and capability.

Deborah Cadman, Chief Executive, Suffolk County Council and Interim Shared Chief Executive Babergh and Mid Suffolk Councils (2016)



Collaboration - the potential benefits

CIPFA's 'Sharing the gain' report identifies a number of non-financial benefits that come from shared arrangements:

- Easier recruitment and retention of skilled staff by creating organisational arrangements that offer new career routes and job opportunities.
- Improved investment and innovation opportunities by pooling investment resource across partners (which might include private sector bodies).
- Having the scale needed to access best of- breed technologies, business processes and management techniques
- Improvements in service quality by using the above to transform the way services are delivered.
- Providing service users with access to specialist staff and state of the art information systems.



Both sides will have to make compromises but the end goal is to enable both councils to be stronger together.

Councillor William Nunn, Leader, Breckland Council









We are treated as a bigger player nationally now. We have better conversations with Government and we are seen to be more influential.

Chief Executive, 'Stronger together - shared management in local government' report



The LGG's 'Shared services and management – a guide for councils' identifies various ways sharing can realise financial savings:

- Avoiding duplication
- · Securing economies of scale from greater utilisation of fixed assets
- Increasing purchasing power that results in procurement savings.
- Increased investment, for example, in more advanced IT systems, as partners' resources are pooled
- Adoption of best practices across service delivery partnerships
- Opportunities to redesign services to better meet the needs of users
- Improvements in service performance, for example, improved response times
- Opportunities to implement new ways of working and management arrangements
- More interesting, varied, or specialised work for staff aiding recruitment and retention.

Learning from our own past experiences Shared Legal Services HDC/MBC





In 2008 MBC and HDC agreed to appoint a shared Head of Legal Services. HDC were the employer for the purpose of this arrangement and recharged MBC for the 2 days of work agreed as part of this arrangement. In 2010 the councils took the next steps by delegating its legal services to HDC. The catalyst for this was that the service was performing poorly with services not receiving timely legal advice.

A delegation agreement was entered into to underpin the arrangement. The existing staff were TUPE'd to HDC. It was felt that the Head of Legal post employed by HDC would be better placed to manage the issues within the team under the same employer. The MO role was initially passed to a Director at Melton then later to a Head of Service (managing Democratic Services). Neither postholder had a legal background. This was considered manageable as the Chief Executive at Melton, at the time, had a legal background. The Deputy MO for Melton was the Head of Legal Services at HDC.

Resources were allocated to each Council based on a number of days per week. Neither HDC nor MBC were satisfied with the service received. Capacity was a continual issue with neither Council feeling they were getting their allocation of time.

In 2014 there was a review of Legal services to ensure the team had the appropriate specialist knowledge and expertise to provide the level and type of legal service needed. The review was undertaken in response to concerns over the responsiveness from the legal team to officers and members. In addition, the workloads for HDC had increased during the previous 12/18 months particularly around the refurbishment of the council's offices, and there were high priority projects coming up (notably environmental service contracts) that would need a high level of legal input.

The Head of Legal Services at HDC also fulfilled a corporate role and a part of the Corporate Management Team and MO, that impacted on the capacity to provide a legal service. At a later point MBC contributed to a shared administrative post as the view was that the Head of Legal Services needed organisational support. This new post was employed by HDC but this did not resolve the issues to any noticeable degree.

The service continued until 2018 at which time HDC approached the new Chief Executive at MBC with a view to ending the arrangement. In light of the need for MBC to significantly strengthen its own legal, democratic and governance processes at the time, it was agreed that both councils would revert to their own dedicated arrangements.

Learning from our own past experiences Shared Legal Services HDC/MBC





Lessons learnt from shared legal service experience

Informed by the experiences of the shared legal service, the following transferable learning and solutions have been identified, to inform future service level collaborations:

- The absence of a shared understanding and expectations for the roles within both organisations.
 - Development of a strategic framework with clear design principles setting out how the partnership would work and the basis upon which any shared arrangements would be entered.
- There was insufficient capacity to have a presence at all officer and member meetings, resulting in poor support in core meetings.
 - Resource requirements needs to be adequately assessed and allocated in line with expectations.
- Different cultures and attitudes to issues such as pricing for services, resulting in income not being maximised at MBC.
 - Alignment of policies and practices that meet the needs of both councils will be required in any strategic partnership agreement.
- Different governance structures resulting in the inability to align processes / procedures
 - Both councils to operate the same Leader and Cabinet model

Examples where lessons have been learnt and implemented

The learning from the shared legal services experience have been embedded within arrangements that underpin several examples of service collaboration between HDC and MBC; some of these also involve other (additional) councils:

- Leicestershire Building Control Partnership (across 6 councils)
 - Shared arrangements in place, including appropriately resourced and well led delivery teams and a sufficient focus on partnership management. The partnership has already led to a demonstrable improvement in service resilience.
- Leicestershire Waste Partnership
 - Partnership contains numerous councils as members, including Leicestershire County Council, Blaby District Council, Charnwood Borough Council, HDC, Hinckley and Bosworth Borough Council, MBC, North West Leicestershire District Council and Oadby and Wigston Borough Council.
 - As a member of the partnership, HDC has recently won an award for fly tipping reduction.
- Out of hours support (partnership between HDC and MBC)
 - High performing service delivered collaboratively across both councils. A joint approach to debriefing and shared learning is a cornerstone of the partnership.
- Internal audit (both HDC and MBC are members of the North Northants partnership, via a delegation agreement)
 - This partnership is resourced with appropriate levels of audit expertise and has demonstrated service improvement since its inception.







Analysis of councils and council areas

Analysis of councils and council areas





This section presents information relating to each council and the characteristics of the communities and businesses based within both geographical areas. The information presented in this section is used to inform the assumptions that underpin this business case, while the analysis provided within the strategic case identifies the similarities and alignment of both councils, in addition to identified points of difference.

Council and strategic partnership characteristics

The proposal to establish a strategic partnership would enable both councils to consider how best to deploy shared resources for the benefit of communities and businesses across both geographical areas:

	Harborough	Melton	Harborough & Melton combined 'South and East Leicestershire'
Population	97,600	51,800	149,400
Geographic area	228 sq miles	186 sq miles	414 sq miles
Staff employed	189 headcount , 164 FTE (31 st March 2022)	193 headcount, 170 FTE (31 st March 2022)	382 headcount, 334 FTE
Elected members	34	28	62
Spend per annum	£13.3m	£4.8m (+ HRA £7.2m)	£18.1m exclusive of MBC HRA £25.3m inclusive of MBC HRA

Demography - Harborough





PEOPLE AND COMMUNITIES

- 38,000 households across the district (2018)
- 66% of the district's population is rural (ONS definition, see *)
- The district has an ageing population: between 2011 and 2021 there has been an increase of 38.5% in people aged 65 years and over, an increase of 10.1% in people aged 15 to 64 years, and an increase of 5.2% in children aged under 15 years
- The district's **population has increased** at a higher rate (14.3%) than England (6.6%) between 2011 and 2021
- Pockets of **deprivation and inequality** across an otherwise prosperous population
- Rural isolation experienced as a result of a lack of digital and transport connectivity

Population size

97,600 2021 census data

Life expectancy

M: 81.7yr

F: 84.3yr

Both above England average

Very low deprivation

Ranked

Out of 317 I A areas

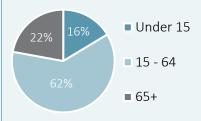
Very high prosperity

Ranked

28th

Out of 379 I A areas

Age distribution



^{* =} ONS classification, rural = rural town and fringe and rural village and dispersed

Demography - Melton





PEOPLE AND COMMUNITIES

- 22,000 households across the borough (2018)
- 46% of the borough's population is rural (ONS definition, see *)
- Melton **population has increased** at a lower rate (2.8%) than England (6.6%) between 2011 and 2021
- The borough has an ageing population: between 2011 and 2021 there has been an increase of 29.6% in people aged 65 years and over, a decrease of 4.0% in people aged 15 to 64 years, and a decrease of 3.6% in children aged under 15 years
- Pockets of **deprivation and inequality** exist across an otherwise prosperous population
- Rural isolation experienced as a result of a lack of digital and transport connectivity

Population size



Life expectancy

M: 80.5yr

84.2yr

Both above England average

Very low deprivation

Ranked

248th

Out of 317 LA areas (where lower = more deprived)

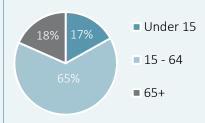
Very high prosperity

Ranked

82th

Out of 379 I A areas

Age distribution



^{* =} ONS classification, rural = rural town and fringe and rural village and dispersed

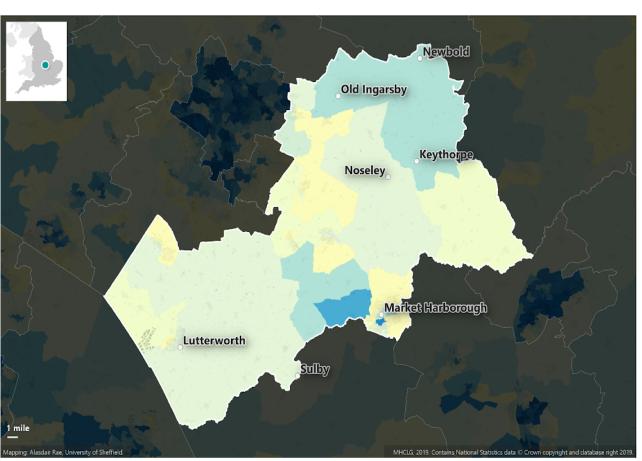
Deprivation - Harborough



English Indices of Deprivation 2019

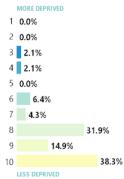
Ministry of Housing, Communities & Local Government

HARBOROUGH



Local deprivation profile

% of LSOAs in each national deprivation decile



What this map shows

This is a map of Indices of Deprivation 2019 data for **Harborough**. The colours on the map indicate the deprivation decile of each Lower Layer Super Output Area (LSOA) for England as a whole, and the coloured bars above indicate the proportion of LSOAs in each national deprivation decile. The most deprived areas (decile 1) are shown in blue. It is important to keep in mind that the Indices of Deprivation relate to small areas and do not tell us how deprived, or wealthy, individual people are. LSOAs have an average population of just under 1,700 (as of 2017).

More deprived Less deprived

Relative level of deprivation

Deprivation - Harborough







measure below for a

description and further detail

IoD2019 Interactive Dashboard - Local Authority Focus

The IoD2019 dashboard allows users to explore the 2019 English Indices of Deprivation data at both local authority district level and neighbourhood (LSOA) level. Users can select a local authority from the Local Authority Look-up box. Working clockwise, the maps will display where the local authority is located at different scales. The larger map will update with the locations of each neighbourhood within the local authority. This map has also been colour coded to display which decile the neighbourhood falls into nationally (dark blue indicating relatively more deprived and pale green indicating relatively less deprived). The Table beside provides more detail on each neighbourhood within the local authority, presenting its LSOA code, name, overall IMD2019 rank and decile, which has also been colour coded to correspond to the map. The Deprivation Domains box displays where the local authority ranks on each of the seven domains and supplementary indices. The IMD2019 Rank, Score and Rank of proportion of LSOAs in most deprived 10% nationally is displayed in each of the three gauges.

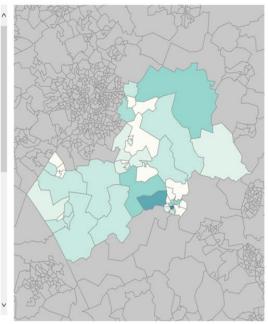
More guidance on the IoD2019 is available online <u>here</u>
If you have any questions or feedback please email <u>indices.deprivation@communities.gov.uk</u>



Local Authority Rank						
0	308	317				
Local Authority	Score					
0	309	317				
LSOA proportio	n in first de	cile (rank)				
0	195	317				

Deprivation Domains	
304 Income Rank	
302 Employment Rank	
265 Education, Skills & Training Rank	
303 Health & Disability Rank	
266 Crime Rank	
289 Living Environment Rank	
234 Barriers to Housing & Services	
304 IDACI Rank	
294 IDAOPI Rank	

LSOA Code	LSOA Name	IMD Rank	IMD Decile
E01025770	Harborough 002A	25376	8
E01025809	Harborough 002B	26322	9
E01025815	Harborough 002C	18275	6
E01025781	Harborough 003A	27999	9
E01025782	Harborough 003B	29866	10
E01025783	Harborough 003C	30733	10
E01025785	Harborough 003D	28178	9
E01025786	Harborough 003E	25390	8
E01025787	Harborough 003F	32161	10
E01025772	Harborough 004A	32141	10
E01025773	Harborough 004B	32650	10
E01025774	Harborough 004C	32580	10
E01025775	Harborough 004D	25418	8
E01025776	Harborough 004E	30509	10
E01025771	Harborough 005A	23775	8
E01025778	Harborough 005B	28794	9
E01025779	Harborough 005C	28767	9
E01025780	Harborough 005D	31649	10
E01025784	Harborough 005E	25208	8
E01025788	Harborough 005F	19558	6
E01025777	Harborough 006A	26216	8
E01025808	Harborough 006B	23093	8
E01025810	Harborough 006C	24248	8
E01025816	Harborough 006D	28561	9
E01025789	Harborough 007A	10733	- 4
E01025794	Harborough 007B	22242	10



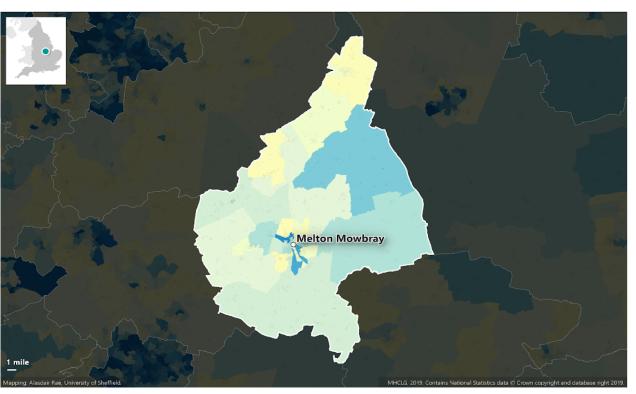
Deprivation - Melton



English Indices of Deprivation 2019

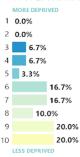
Ministry of Housing, Communities & Local Government

MELTON



Local deprivation profile

% of LSOAs in each national deprivation decile



What this map shows

This is a map of Indices of Deprivation 2019 data for **Melton**. The colours on the map indicate the deprivation decile of each Lower Layer Super Output Area (LSOA) for England as a whole, and the coloured bars above indicate the proportion of LSOAs in each national deprivation decile. The most deprived areas (decile 1) are shown in blue. It is important to keep in mind that the Indices of Deprivation relate to small areas and do not tell us how deprived, or wealthy, individual people are. LSOAs have an average population of just under 1,700 (as of 2017).

More deprived	Less deprived
Relative level of deprivation	n

Deprivation - Melton







description and further detail

IoD2019 Interactive Dashboard - Local Authority Focus

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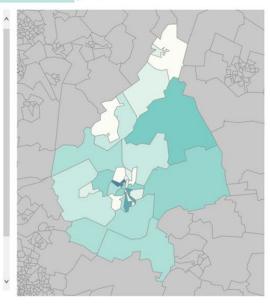
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Deprivation Domains
262 Income Rank
261 Employment Rank
227 Education, Skills & Training Ran
230 Health & Disability Rank
242 Crime Rank
177 Living Environment Rank
125 Barriers to Housing & Services
236 IDACI Rank
283 IDAOPI Rank

LSOA Code	LSOA Name	IMD Rank	IMD Decile
E01025885	Melton 001A	32143	10
E01025886	Melton 001B	28454	9
E01025887	Melton 001C	13282	5
E01025890	Melton 001D	24369	8
E01025891	Melton 001E	31367	10
E01025892	Melton 001F	27495	9
E01025901	Melton 002A	27094	9
E01025902	Melton 002B	31340	10
E01025903	Melton 002C	18660	6
E01025904	Melton 002D	30620	10
E01025906	Melton 002E	30035	10
E01025883	Melton 003A	27271	9
E01025884	Melton 003B	16968	6
E01025888	Melton 003C	23423	8
E01025909	Melton 003D	20254	7
E01025896	Melton 004A	30763	10
E01025897	Melton 004B	16632	6
E01025898	Melton 004C	21369	7
E01025899	Melton 004D	17763	6
E01025900	Melton 004E	8876	3
E01025905	Melton 004F	9024	3
E01025893	Melton 005A	27289	9
E01025894	Melton 005B	9990	4
E01025895	Melton 005C	22678	7
E01025907	Melton 005D	11082	- 4
F01025908	Melton 005F	27922	9



Local business, inclusive growth and economy





INCLUSIVE GROWTH						
GVA per hour worked	Harborough Melton £29.2 £33.5					
Gross median weekly play	£564 £454.9					
Employment rate 16- 64yr	80.1% 70.1%					
Proportion of children in workless households	2.9% 41.6%					
Proportion of employed people in skilled employment	62.4% 55.7%					

LOCAL BUSINESS AND ECONOMY		
UKSPF Funding	Harborough £2.17m	Melton £1.19m
% micro businesses	90%	91%
Economic activity rate 16-64yr	85.4%	78.4%
Approx. number of businesses	5,350	2,530
Proportion of low paid jobs	25.4%	39.4%

Corporate priorities and objectives - HDC





Community leadership to create a sense of pride and belonging.

Ensuring there is housing to meet local needs of all ages, that growth provides employment, recognising the rural nature of the district and that communities are involved in how that growth is shaped



Promoting health and wellbeing and encouraging healthy life choices

Giving the guidance and support to all our residents to make healthy life choices, to live longer healthier independent lives, not only physically but in good mental health too



Creating a sustainable environment to protect



future generations

Enhancing and protecting our natural environment, addressing climate issues and reducing environmental crime to further protect the environment.

residents to deliver a prosperous local economy



Local employment options are available to allow residents to prosper in our district, developing and retaining the skills our employers need and supporting businesses to be successful

Corporate priorities and objectives - MBC





Excellent services positively impacting communities

Improving processes to improve customer experience, investing in digital systems, focusing on Priority
Neighbourhoods to tackle community issues; refocusing community support services



Providing high quality council homes and landlord services

Significant investment in improving landlord and tenancy services; significant investment in the asset management of council homes



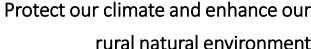






Delivering sustainable and inclusive growth in Melton

Promoting Melton and delivering the promise of the 'Rural Capital of Food;' deliver inclusive growth; regenerate the town centre





Ensure council operations are carbon neutral by 2030; tackle environmental and place-based issues; invest in planning services

Ensuring the right conditions to support delivery



Establishing future ICT arrangements; being an outstanding employer; ensuring financial stability

Connected with and led by our community



Promoting democracy and community involvement; explore ways to co-design; review and reinvigorate partnership structures and frameworks with tenants; work with public and voluntary partners





Function

Priorities aligned

Priorities not aligned

1. Economy



Harborough outcome

- 1. Supporting business and residents
- Salaries are sufficient to allow residents to live and work locally
- Skills and education opportunities for young are promoted
- Enterprise and innovation are support
- Inward investment is targeted to increase local opportunities and regeneration of town centres
- Tourism increased
- Grown in SMEs and start-ups stimulated through guidance and support in partnership
- Working with partners to generate a wide range of local employment opportunities

Melton priority theme

- 1. Delivering sustainable and inclusive growth in Melton
- Work with partners to promote Melton
- Deliver inclusive growth improving access to higher paid jobs, improving skills and tackling low wage
- Regenerate town centre, encourage inward investment
- Increase housing supply Commercial approach to management of assets to deliver jobs, homes and income
- Establish affordable and sustainability future for leisure facilities
- Support delivery of Melton bypass and other infrastructure





Function

Priorities aligned

Priorities not aligned

1. Economy



Harborough outcome

1. Supporting business and residents

By:

- Ensuring remain attractive and vibrant place to live work, invest and visit
- Support new and existing businesses
- Residents can gain access to education, training, and skills they need to obtain employment and careers
- Review and revise the economic development strategy

Melton priority theme

1. Delivering sustainable and inclusive growth in Melton

- Implement increase vitality, vibrancy, footfall and spend in town centre
- Secure investment and deliver the Food Enterprise Centre and Manufacturing Zone sites
- Use council resource to reduce homelessness and increase affordable home ownership
- Develop assets to generate income and provide housing/jobs
- Proposals for best use of Melton Sports Village and future leisure provision
- Work with partners to support delivery of new road and wider Melton Mowbray transport strategy
- Campaign for second GP surgery





Function

Priorities aligned

Priorities not aligned

2. Climate, environment, waste and recycling



Harborough outcome

- 2. Creating a sustainable environment to protect future generations
- Natural environment protected and enhanced, improved access to green spaces and increased biodiversity
- Reduce carbon footprint and ensure sustainable future
- Green practices energy provision and recycling

By:

- Promoting cleaner greener environment using education and enforcement
- Producing Welland Park Strategy- and 10 year strategy for council owned parks and green spaces
- Providing effective air quality management
- All council activities to work towards carbon neutral 2030
- Developing and implementing a rural strategy (access to infrastructure and services they need)

Melton priority theme

- 2. Protect our climate and enhance our rural natural environment
- Ensure council operations are carbon neutral by 2030
- Utilise investment in enforcement to tackle environmental and place based issues that matter to communities

- Reduce emissions across all council activities
- Promote and encourage walking and cycling opportunities
- Education and enforcement to tackle issues which blight communities
- Improve processes and customer experience in planning service





Function

Priorities aligned

Priorities not aligned

3. Housing





Housing stock/HRA

Harborough outcome

3. Community leadership to create a sense of pride and belonging

Covers non landlord housing functions Harborough District Council is a non stock holding council

Adequate supply of housing

By:

- Implementation and monitoring of Harborough Local Plan and planning decisions and enforcement in line with Plan
- Preparation of next plan and planning obligations policy
- Continue programme of review of conservation areas
- Support preparation of Neighbourhood Plans

Melton priority theme

- 3. Providing high quality council homes and landlord services
- Investment in improving landlord and tenancy services
- Investment in asset management of council homes

Ву

- Deliver better and temporary accommodation
- Engage with tenants to ensure services meet their needs
- Improve quality and VFM of repairs and maintenance service
- Ensure properties meeting Decent Homes Standard
- New high quality council homes





Function

Priorities aligned

Priorities not aligned

4. Planning



Harborough outcome

- 4. Community leadership to create a sense of pride and belonging
- Growth is balanced with employment opportunities and transport and infrastructure needs are met
- Recognise rural nature of district, its heritage and cultural assets are preserved
- District shaped through good design, that addresses local needs and promotes healthier life choices

By:

- Implementation and monitoring of Harborough Local Plan and planning decisions and enforcement in line with Plan
- Preparation of next plan and planning obligations policy
- Continue programme of review of conservation areas
- Supporting preparation of Neighbourhood Plans

Melton priority theme

- 4. Protect our climate and enhance our rural natural environment
- Utilise investment in enforcement to tackle environmental and place based issues that matter to communities
- Invest in Planning Services and deliver improvements

By:

• Improve processes and customer experience in planning service





Function

Priorities aligned

Priorities not aligned

5. Council Tax



Harborough outcome

- 5. Supporting businesses and residents to deliver a prosperous local economy
- Enterprise and innovation are support
- Inward investment is targeted to increase local opportunities and regeneration of town centres

By:

- Support new and existing businesses
- Review and revise the economic development strategy

Melton priority theme

- 5. Excellent services positively impacting communities
- Invest in digital systems to improve services
- Focus on Priority Neighbourhoods, working in partnership to tackle community issues
- Refocus community support services to respond to the impact of Covid-19

- Redesigning customer facing processes
- Implement new self-service platform
- Establish integrated community based teams in Priority Neighbourhoods
- Create integrated supporting offer





Function

Priorities aligned

Priorities not aligned

6. Health and Wellbeing



Harborough outcome

- 6. Promoting health and wellbeing and encouraging healthy life choices
- Residents live more independent lives with right support
- Aging population have access to services to help them live well for longer
- Activity will be increased, provision of varied leisure offer throughout district
- District improved public safety
- Health needs addressed to prevent crisis and support those most vulnerable

By:

- Agreeing and implementing young person's strategy
- Implementing health and wellbeing strategy
- Reviewing leisure services provisions and service delivery Improve living accommodation in the district

Melton priority theme

- 6. Connected with and led by our community
- Promote democracy and community involvement
- Ways to co-design solutions, devolve budgets and facilitate community led action
- Review and reinvigorate partnership structures and frameworks with tenants and community groups
- Create integrated community based services

- Harnessing community spirit and establish a new 'deal' between council and communities
- Strengthening relationships and with Parish Councils
- Maximising impacts of community grants





Function

Priorities aligned

Priorities not aligned

7. Support Services



Harborough outcome

- 7. Community leadership to create a sense of pride and belonging
- Voluntary and charitable sectors are more engaged and actively managing their own localities
- District shaped through good design, that addresses local needs and promotes healthier life choices

By:

- Improve and enhance delivery of customer services
- Increase digitalisation of services
- Effective strategic comms across the district

Melton priority theme

- 7. Ensuring the right conditions to support delivery
- Establish future ICT arrangements and adopt new ways of working
- Be an outstanding employer
- Ensure financial stability

- Redefine ways of working: more agile, flexible and responsive
- Develop Procurement Unit as commercial proposition
- Mitigate financial impact on the council of covid
- Invest in new finance system

HDC - Organisational values and culture



- Treat residents well and fairly: Providing them with the best possible public services with the resources available. HDC will always respond promptly when residents contact, resolving issues as quickly as possible, and treat everyone with respect and fairness. HDC will be transparent about our decisions.
- Let residents decide what is best for them: HDC will always look to involve residents in decisions that affect their lives.
- Fight residents corner: if they have complex problems in their life, HDC will work with them to help them live their best life. No one will need to deal with their problems in isolation.
- Be lean and use our resources well: as we face financial challenges, we will look for efficiencies internally before we cut any services. We will deliver the best value for money we can.
- Innovate: we will create a culture which promotes innovation, always looking for ways to improve our services and our relationship with communities and individuals.

We are driven by our ambition to make the Harborough district a place where our residents can live the best lives they can. We want our businesses and economies to thrive and our environment to be managed in a sustainable way, ensuring the needs of these communities are met and that the district maintains its own local identity and unique surroundings.



MBC - Organisational values and culture



01

MBC care: Valuing others and developing ourselves; committed and passionate about what we do.

02

MBC innovate: Ambitious, creative and resourceful; putting customers first and learning from feedback.

03

MBC achieve : Taking responsibility and seeking excellence; always proud to serve.

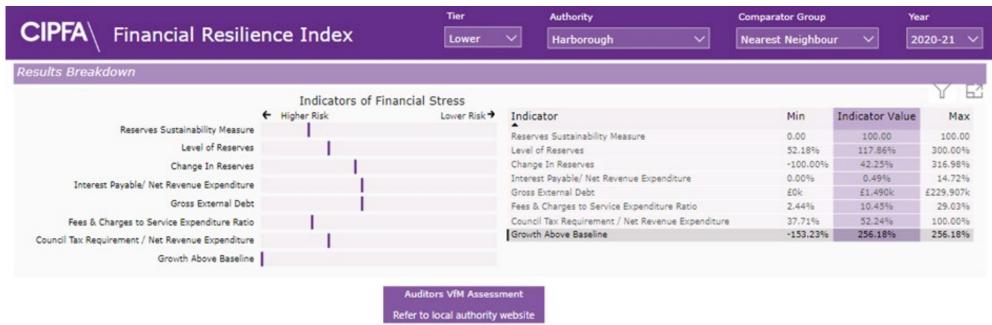


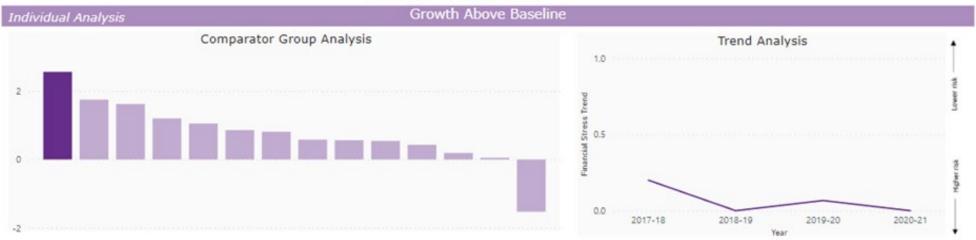
We want to be a first-class council: on the side of our communities and providing great services, where the customer comes first. We want to help people reach their potential, support the most vulnerable, and protect our rural environment. We want to provide more and better homes, create better jobs and regenerate the town. We want to ensure Melton prospers, benefitting those who live here and attracting others to visit and invest.



Financial resilience - HDC

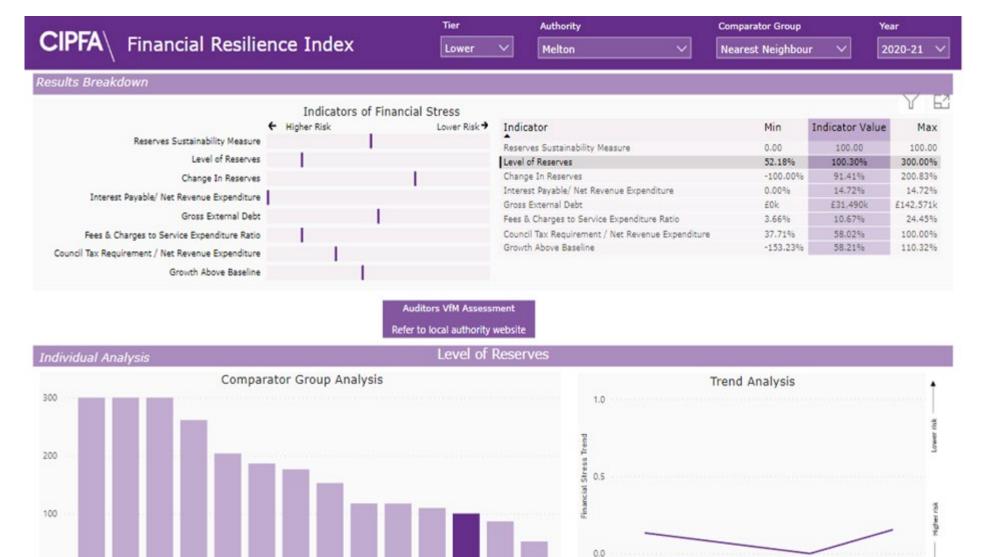






Financial resilience - MBC





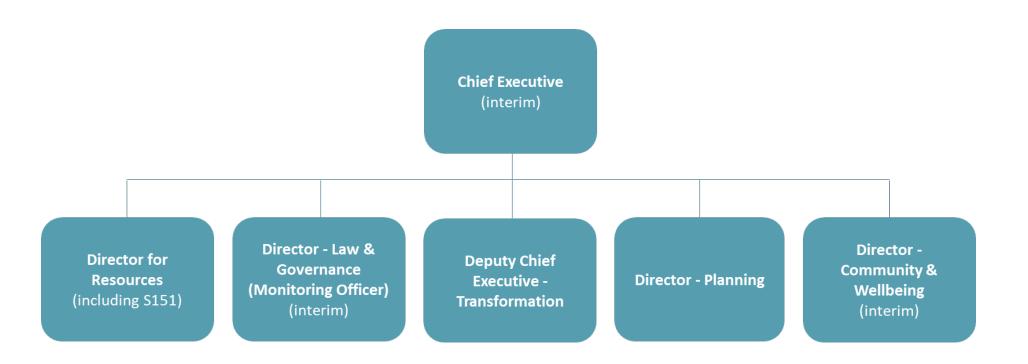
2018-19

2019-20

2020-21

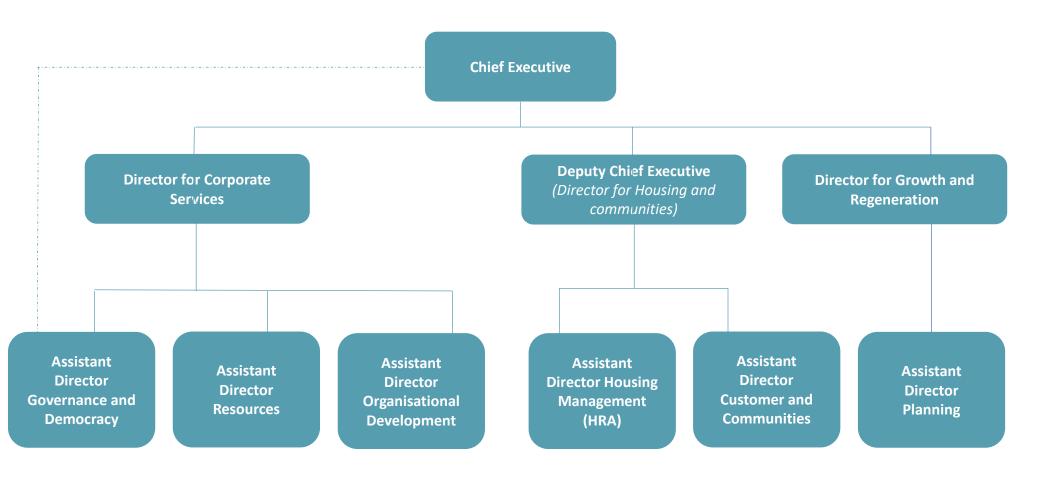
Current leadership structure - HDC





Current leadership structure - MBC





Delivery models for corporate functions





Both councils adopted a mixed approach to the provision of corporate functions, The majority of services are delivered directly by each council, however several services are delivered through partnerships with other councils:

Corporate function	HDC delivery model	MBC delivery model
Finance	In-house	In-house
Payroll	Delegated Authority (North West Leicestershire), in addition to internal administrative provision	Delegated Authority (Leicester)
Customer Services	In-house (recently on-boarded from Charnwood)	In-house
Legal Services	In-house	In-house
Democratic Services	In-house	In-house
Elections (including electoral registration)	In-house	In-house
Procurement	Currently in-house; although expectation that the council will access procurement services from MBC (Welland Procurement) from March 2023	arrangement (Welland Procurement) to 6
Audit	Delegation Agreement with North Northamptonshire Council	Delegation Agreement with North Northamptonshire Council
Revenues & Benefits	Partnership with Hinkley & Bosworth BC + North West Leicestershire DC (Joint Committee)	In-house







04Mapping of services and collaboration





The services delivered by both councils have been mapped to provide a comparison of functions across service areas. Additionally, collaboration including direct delivery, partnership meetings and networks between both councils and other councils has been identified. Services delivered directly through a collaborative approach are shown in bold.

			Service collaboration between		
Functional area	HDC - service delivery	MBC - service delivery	HDC and MBC	HDC and other councils	MBC and other councils
Planning	Building Control	Building Control		councils). Shared arrang	the resilience benefits ed and well led shared
	Development Management (Planning Applications, Appeals and pre application)	Development Control (Planning Applications, Appeals and pre application)			
	Planning policy	Planning policy		Strategic Planning Group / M	up / Members Advisory
	Strategic Planning (local plans)	Strategic Planning (local plans)		Gro	pup
	Conservation	Conservation			
	Land Charges/searches	Land Charges/ searches		Leicestershi	re Searches





	HDC - service delivery	MBC - service delivery	Current service collaboration between		
Functional area			HDC and MBC	HDC and other councils	
Environmental & Regulatory Services	Waste management (resident and business) Grounds Maintenance	t and business) (resident and business)			
	Management of	Management of environmental crime		Leicestershire Waste Partnership	
	environmental crime Cemetery Management	Cemetery Management			
	Environmental Health and licensing	Environmental Health and licensing			
Growth and Regeneration	Town Centre Mgt and regeneration	Town Centre Mgt and regeneration		Leicester and Leicestershire Local Economic Partnership	
	Inward investment	Inward investment		Place Marketing Organisation	
	Application for & delivery of government funding	Application for & delivery of government funding			
Economic	Tourism	Tourism			
Development	Business Licences	Business Licences		The Business Cat	oway growth hub
	Business support / Economic Development	Business support / economic development		The Business Gateway growth hub	
	Harborough Innovation Centre / Grow on Centre (office space management)				





	HDC - service delivery	MBC - service delivery	Service collaboration between		
Functional area			HDC and MBC	HDC and other councils	MBC and other councils
Revs and Bens	Council Tax Business Rates	Council Tax Business Rates		Leicestershire Revs and Bens Partnership Shared Service; other partners are HBBC and NWLDC	Various officer partnerships -
	Universal Credit	Universal Credit			
	Housing Benefit	Housing Benefit		Various officer partnerships - revenues and benefits practitioners group Policy alignment covid grants, test and trace etc	revenues and benefits practitioners group Policy alignment covid grants, test and trace etc





	HDC - service delivery	MBC - service delivery	Current service collaboration between		
Functional area			HDC and MBC	HDC and other councils	MBC and other councils
Housing	Strategic Housing / homelessness / housing needs	Strategic Housing/ Homelessness/Housing Needs		Chief Housing	Officers Group
	Housing Support Services	Housing Support Services		Light	tbulb
	Temporary Accommodation	Temporary Accommodation			
	NB - HDC is a non-stock holding, with no HRA	Housing Management - Tenancy Services including Intensive Housing Management Team			
		Housing Management – Assets & repairs			
		Council housing development			
Parking	Parking Strategy	Parking Strategy			
	Parking enforcement	Parking enforcement	 HDC is the lead provider for: On-Street for County covering Harborough, Melton, Oadby & Wigstor Blaby and Hinkley Off-Street for Harborough, Oadby & Wigston and Melton 		
	Car park management and maintenance	Car park management and maintenance			
Climate	Strategy and Action Plan delivery	Strategy and Action Plan delivery			





	HDC - service delivery	MBC - service delivery	Current service collaboration between		
Functional area			HDC and MBC	HDC and other councils	MBC and other councils
Community Services	Leisure Centres	Leisure Centres			
	Active Together Harborough	Melton Sport and Health Alliance	Health Active together partnerships / health partnership		OS
	Lifeline monitoring	Lifeline monitoring	HDC delivery on behalf of MBC		
	Community Safety	Community Safety			
	CCTV	CCTV	Progression of a shared approach already underway		
	Out of hours support	Out of hours support	HDC deliver on behalf of MBC		
	Customer Services	Customer Services			
		Case Management - Me and My Learning			





Functional area	HDC - service delivery MBC - se	MBC - service delivery	HDC and MBC	HDC and other councils	MBC and other councils
Corporate functions (1)	Information Technology	Information Technology			Leicestershire ICT Partnership (LICTP) between Melton, Blaby, Hinckley
	Finance Services	Finance		Leicestershire Treasurers Association (LTA) lin (s151 overview)	
	Law and Governance	Legal and Governance			
	Communications and Marketing	Communications			
	Corporate Property and Asset Management	Corporate Property and Asset Management			
	Facilities Management	Facilities Management			
	Human Resources (HR)	Human Resources			
	Internal Audit	Internal Audit		Both councils part partnership (deleg	of North Northants gation agreement)
	Corporate health and safety	Corporate health and safety			
	Procurement	Procurement			Welland Procurement Unit (hosted by MBC)
	Elections	Elections			





	HDC - service delivery	MBC - service delivery	Current service collaboration between		
Functional area			HDC and MBC	HDC and other councils	MBC and other councils
Corporate functions (2)	Policy/performance	Corporate Improvement Team			
	Emergency & Business Continuity Planning	Emergency & Business Continuity Planning		Local Resilience Forum Co-ordination	
	Parish Council Liaison	Parish Council Liaison			
	Commercial contract management	Commercial contract management			
	Community centres - use of / booking / promotion	Community centres – use of /booking / promotion			

Description of local and regional collaboration







Lifeline Monitoring supports elderly residents, allowing them to remain at home and keep their independence. A lifeline unit is set-up in a home, with a panic button. Additionally, the resident will be given a pendant to wear. When either button is pressed the lifeline unit will call the control centre and the resident will be immediately connected with one of the team. If the alarm is triggered the call staff will have instant access to the contact details for friends or family and any other information that has been supplied to get the right help quickly. HDC currently provide this for MBC.



The Leicestershire Building Control Partnership (LBCP) is a Local Authority Building Control service between six councils. Blaby District, Harborough District, Hinckley and Bosworth Borough, Melton Borough, Oadby and Wigston Borough and Rutland County have joined together to share their knowledge and experience. The service supports homeowners, contractors and other professionals to ensure building project are safe, accessible and meet the standards set by the Building Regulations. Through the Leicestershire Building Control Partnership, customers have access to a team of professional building surveyors and technical support staff. The service provides a single point of contact to engage with planners, conservation officers, access officers, fire services, highways etc.



LeicesterShire Land & Property Searches is a partnership councils providing online access to Local Authority Searches across Leicestershire. The aim of the partnership is to offer customers a straightforward and easily accessible search service. The partnership consists of: Blaby District Council; Charnwood Borough Council; Harborough District Council; Hinckley & Bosworth Borough Council; Leicester City Council; Northwest Leicestershire District Council; Melton Borough Council; and Oadby & Wigston Borough Council.



An out of hours emergency contact centre. If somebody needs to get in touch with the council out of working hours, then they can call the emergency contact support. HDC currently provide the operational role for MBC, however both senior management teams maintain well established 24/7 emergency contact arrangements on behalf of both councils.

1.04 - Description of local and regional collaboration involving HDC and MBC







Leicestershire Waste Partnership is composed of the seven borough and district councils of Leicestershire and the County Council (Leicester City Council is an associate member as it has made its own arrangements for future waste management). The partner authorities have come together to deliver a joint strategy with the following vision: "Leicestershire is pursuing a clear vision for sustainable waste management and resource use. Waste should first be prevented from arising, be reused, recycled or composted. Any residual waste that has not been reused, recycled or composted should be treated before disposal so that further value can be recovered and so that the impact of final disposal is minimised."



Leicestershire Revenues & Benefits Partnership was set up in 2011 as a partnership between Hinckley and Bosworth Borough Council, Northwest Leicestershire District Council and Harborough District Council. The Partnership is responsible for the collection of Council Tax and National Non-Domestic Rates (NNDR) and for administration of Housing Benefits, on behalf of these three Councils.



The Lightbulb service helps support the residents of Leicestershire to remain safe and well in their own homes. Lightbulb brings together, a range of support such as aids and adaptations, energy advice, home safety, home improvements and support with the transition from hospital to home.



The Leicestershire Rural Partnership is an established and successful partnership which brings together public, private and voluntary stakeholders to improve services and support to rural communities and businesses. Leicestershire Rural Partnership members are supported by a support team based at Leicestershire County Council. The work of the Partnership is shaped by the priorities in the Rural Framework, and its success is dependent on the input from a range of organisations that sit on the LRP Management Board.

1.04 - Description of local and regional collaboration involving HDC and MBC







Welland Procurement is hosted by MBC and provides a procurement service to the public sector – managing procurements, managing risk and helping to deliver quality and value. An experienced team that manages procurements across all categories and values. They recognise the importance of high-quality procurement at a time when many public sector organisations find it hard to fund an in-house procurement resource. They provide support throughout the whole process.



The LLEP is a strategic body that exists to drive forward regeneration and growth of the local economy in Leicester and Leicestershire. We are a company limited by guarantee and are led by a board of directors. We are working to create a vibrant, attractive and distinctive place with highly skilled people, and to make Leicester and Leicestershire the destination of choice for successful businesses. Leicester City Council is the accountable body.







Design principles and intended benefits

Design principles, intended benefits and the proposed change





To inform the development of the business case, elected members, senior officers and other staff from across both councils were engaged to develop the design principles, intended benefits and proposed structure ('the proposition') of a strategic partnership.

Separately, the councils have engaged local external stakeholders inviting feedback which has and will continue to be considered through the process.

Design principles

- ▼ The 'what?'
- Characteristics and qualities that any proposed change is required to demonstrate
- Provides a blueprint that informs the proposition options to be appraised within the business case
- Be both desirable and realistic (viable and feasible)

01

 Develop with officers and members

Intended benefits

- ▼ The 'why?'
- ▼ What do we want to achieve?'
- ▼ What is a strategic partnership required to achieve?
- From the perspectives of the councils, residents, communities and businesses etc.
- Develop with officers and members

Proposition

- ▼ The 'how?'
- A tangible demonstration of the transformational change being proposed
- Considers risks and dependencies
- ▼ Implementation plan
- ▼ Financial costs/benefits
- Developed with officers and members

03





Design principles Form follows function

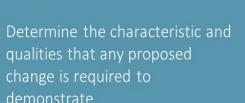


DP1 - Enhance each councils' ability to address common issues and challenges for the benefit of residents, communities and businesses, through a common purpose, whilst maintaining democratic accountability



DP2 - Enable both councils to maximise influence, reach and impact; locally, regionally and nationally, particularly on shared opportunities and challenges







DP3 - Enable greater financial sustainability, delivery resilience and maximise opportunities to secure external funding



DP4 - Attract and retain workforce talent through the opportunities for shared learning, job enrichment, new experiences and progression

Provide a blueprint that informs the proposition options to be appraised within the business case



DP5 - Create a mechanism that allows the effective and equitable deployment of resources



DP6 - The ability to consider future collaboration options and to review and evaluate existing arrangements

Be both desirable and realistic (viable and feasible)



DP7 - Ensure that council sovereignty and clear lines of accountability are maintained



DP8 - Create a mechanism that ensures a fair, equitable and proportionate allocation of costs





Design principle 1

Enhance each councils' ability to address common issues and challenges for the benefit of residents, communities and businesses, through a common purpose, whilst maintaining democratic accountability

Enable both councils to develop joint strategies/approaches on issues where an at scale or collaborative 'place leadership' response would add value (net zero, inclusive growth, health and wellbeing, prevention and early intervention, cost of living support etc.).

Each council remains responsible for identifying and assessing the needs of their residents, communities and local businesses.

All proposals for change must demonstrate the positive impact the change will have on residents, communities and/or businesses.

Ensure each council retains the democratic accountability that exists between elected members and their communities

Ensure that all stakeholders understand the partnership arrangements and relationships between partners





Design principle 2

Enable both councils to maximise influence, reach and impact; locally, regionally and nationally, particularly on shared opportunities and challenges Enable both councils to operate with a stronger voice on local and regional issues as and when appropriate.

Enable both councils to develop joint strategies/approaches on issues where an at scale or collaborative 'place leadership' response could potentially be more effective (net zero, inclusive growth, health and wellbeing, prevention and early intervention, cost of living support etc.).

Enables both councils to explore and establish new partnerships





Design principle 3

Enable greater
financial sustainability,
delivery resilience and
maximise
opportunities to
secure external
funding



A structure that enables shared learning and good practice, resulting in realisation of savings, efficiencies or increased value for money.

Exploration of approaches to joint mitigation of financial risks.

Ensure that external funding opportunities are maximised through wider geography and joint bidding.





Design principle 4

Attract and retain workforce talent through the opportunities for shared learning, job enrichment, new experiences and progression



Building on existing examples of collaboration across services, to provide opportunities for job enrichment and progression, thus supporting recruitment, retention and development of current staff ('employer(s) of choice').

Create a joint approach to workforce strategy and vacancy management.





Design principle 5

Create a mechanism that allows the effective and equitable deployment of resources

The appointment of a senior officer (Shared CEO & Head of Paid Services - 'Shared CEO') who is ultimately accountable to the elected members of each council.

Elected members have open, fair and proportionate access in line with their roles to shared officers.

A clear, transparent and agreed mechanism is in place exists to ensure that the time of shared officers are fairly allocated to each council.

A fair and proportionate structure that enables both councils to explore opportunities for service improvement, reduced duplication and increasing capacity, all of which could realise savings or increased value for money.

Exploration of opportunities to jointly commission, procure or deliver common services.





Design principle 6

The ability to consider future collaboration options and to review and evaluate existing arrangements

Co-designed and agreed arrangements in place that enable the ongoing review and evaluation of partnership performance and collaboration activity involving both councils (and external partners, if appropriate).

Ongoing review and evaluation of partnership benefits and collaborative activity to be informed by a robust review process.

Proposals to changes a council's services will be informed by an evidence-based review undertaken by the council(s).

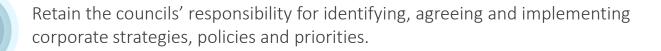
Each organisation is required to agree to any recommended/proposed change to services prior to implementation in line with agreed delegations.



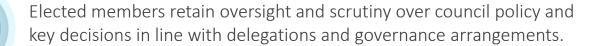


Design principle 7

Ensure that council sovereignty and clear lines of accountability are maintained



Each council will remain accountable for the decisions taken in line with their own constitution and governance arrangements.



Elected members retain all current decision-making powers in relation to council budgets and investments.





Design principle 8

Create a mechanism that ensures a fair, equitable and proportionate allocation of costs



A clear, transparent and agreed mechanism exists to ensure that the costs associated with the role of the shared officers are fairly allocated to each council.

Where financial arrangements are shared (i.e. joint budgets or shared services), a clear process is agreed for managing local variance (need and demography, demand for services etc.).

Intended benefits



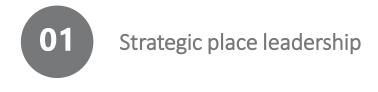
To inform the development of the business case, elected members, senior officers and other staff from across both councils were engaged to identify the intended benefits of a strategic partnership. Separately, the councils have engaged local stakeholders to ensure their views are understood and reflected.

The intended benefits identify what a new strategic partnership would be required to achieve and the impact it would be required to realise. Benefits have been developed from the perspectives of several stakeholder groups, including elected members, council staff, residents, communities and businesses located within each council's area.

The intended benefits have been categorised into five main areas, reflecting the varying perspectives and expectations across a wide range of stakeholders.

The business case uses these intended benefits and the design principles (see previous slide) as the basis for the appraisal of the proposed strategic partnership.

Each of the intended benefits fall within one of the five following categories:











Intended benefits





Strategic place leadership

- Maximising our influence speaking on behalf of South and East Leicestershire, increasing our collective influence regionally and nationally through a stronger, louder and more united voice.
 - Maximising our collective strengths working together to respond to and address shared and common challenges and opportunities at a local, corporate and sub-regional level.
- Futureproofing both councils and shaping the future collaboration agenda; cementing a solid and flexible foundation for long term partnership working.

Communities and businesses

Increased levels of inclusive growth, reduced deprivation and improved outcomes - doing more for our local communities and businesses.

Maximising external investment; enabling the future prosperity for our communities and businesses.

Maximising impact by jointly addressing shared challenges, including net zero, cost of living, health and wellbeing, digital connectivity, housing affordability etc.

Increased impact realised through collective campaigns and public awareness initiatives

Intended benefits





Organisational	effectiveness	Wo
Organisational	CHECKIVEHESS	VVO

orkforce Financial resilience

- Increasing service resilience sharing resources, learning and good practice.
- Increased opportunities for job enrichment, development and progression.

Improved financial sustainability through growth, efficiency /removal of duplication and the realisation of savings.

- Improving organisational effectiveness a joint approach that reduces duplication, increases service quality and improves outcomes.
- Improved recruitment and retention rates.

Improved value for money through sharing capabilities, resources and working practices.

- Accelerating the pace of progress/improvement and increasing the impact realised by both councils a joint approach that reflects the best of both councils.
- Both councils being viewed as 'employers of choice'.
- Increased purchasing power improved value for money and the ability to shape, influence and support local/regional markets.
- A net financial benefit to the councils ongoing savings, efficiencies and added value outweigh the costs of change.







O6
Strategic
partnership the
proposition

Strategic partnership - the proposition





The creation of a formalised strategic partnership between both councils is designed to provide an appropriate platform that enables both councils to improve service quality, resilience and efficiency, while also increasing the collective influence of both councils and their ability to improve outcomes for their communities and businesses.

To establish the required platform, only the following changes are being proposed to establish a stable initial leadership platform for the new partnership. These changes will enable the exploration of further collaboration, however these changes have no direct impact on the sovereignty, decision making and independence of either council. These changes have been designed to adhere to the required characteristic, qualities and safeguards identified within the design principles:

01. Shared CEO and Head of Paid Services

- Single postholder who is accountable for the internal operations and performance of the council, in addition to leading on external relations for both councils.
- Shared CEO equally accountable to elected members from both councils.
- Shared CEO to remain employed by MBC, with section 113 arrangement in place.
- Cost of post to be shared 50/50 by both councils.

02. Shared Deputy Chief Executives (x2) with thematic responsibilities

- Two Shared DCEO posts, one post allocated to each council, held by a single person.
- HDC DCEO operational lead for HDC, in addition to leading the corporate, governance and partnership development and transformation agenda across HDC and MBC.
- MBC DCEO operational lead for MBC, in addition to leading the housing and communities agenda across MBC and HDC.
- Cost of posts shared 50/50 by both councils.

03. Partnership governance

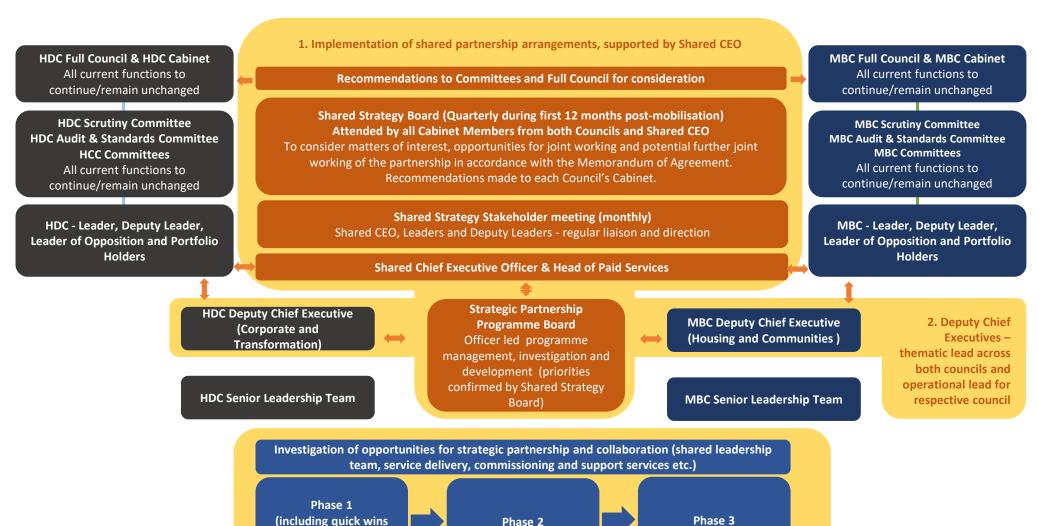
- Shared Strategy Board, attended by Cabinet members from both councils and Shared CEO, to provide overall strategy and direction. To provide both councils appropriate decision-making structures with recommendations as required.
- Shared Stakeholder Group, attended by Leaders and Deputies and Shared CEO.
- Strategic Partnership Programme Boardto provide programme capacity.
 - Memorandum of Agreement in place to govern sharing of resources and costs. Formal decision making retained by both councils separately.

Strategic partnership - the proposition

and 12-month review)







identifies proposed changes

Kev = vellow box

Strategic partnership - what is/isn't being proposed?





What is being proposed?



An arrangement that ensures council sovereignty and independence are maintained and respected



Establishing a framework for exploring future opportunities to collaborate that will benefit communities and businesses



Enabling both councils to develop joint strategies/approaches on issues where an at scale or collaborative 'place leadership' response could potentially be more effective



Establishing arrangements where elected members will have the final say on whether to collaborate across services, policies or strategies



Enable both councils to operate with a stronger voice on local, regional and national issues where appropriate



A clear process for managing local variance (need and demography, demand for services etc.).



An arrangement that can be reversed without creating significant disruption to services and each council's corporate functions

What isn't being proposed?



A merging of the two councils, or takeover of one by the other



Establishing a mechanism for investigation that will solely focus on reducing costs and realising financial savings



A mandatory requirement for councils to adopt a regional approach on all place based issues



Taking decision making powers away from elected members



Councils and elected members being unable to speak to or on behalf of their communities



A one size fits all approach to delivering services and meeting need across both councils



An arrangement with no exit strategy

Shared CEO & Head of Paid Services Overview of role

DISTRICT OF LARBOROUGH



Accountable to: The Councils of HDC and MBC.

Employed by: MBC, with a Section 113 in place between both councils that allows MBC to enter into an agreement with HDC to place the Shared CEO at the disposal of HDC for the purposes of discharging HDC's functions.

Job purpose:

- To deliver the strategic aims, objectives and priorities for each sovereign council in line with the Corporate Strategies for each sovereign council.
- To have statutory responsibility as Head of Paid Service to ensure the
 effective strategic leadership of each sovereign council in accordance
 with the policy, budgetary, statutory, quality and value for money
 requirements of each sovereign council.
- To work in partnership with the two Leaders and other elected members to develop and lead the implementation of the intended benefits of the strategic partnership between HDC and MBC in accordance with the business case and MoA to deliver best value outcomes for the local residents and communities of Harborough and Melton.

A full list of specific responsibilities is provided on page 177.

How is this different to what is currently in place?

An efficient approach to external relations, with a louder voice - Currently both CEOs spend c30% of their time managing external relations. Analysis indicates that most local partnership meetings are attended by both CEOs, while they also regularly engage with the same external stakeholders, often on the same issues (i.e. county council, other district councils, Police and Crime Commissioners, Integrated Care Boards etc.). A Shared CEO would have single conversations with these stakeholders, removing duplication and speaking with a louder voice, while also being in a position to ensure a co-ordinated approach across both councils.

A strengthened approach to place leadership - Currently both CEOs oversee separate responses to place based issues including responses to the cost of living crisis, housing of asylum seekers and Homes for Ukraine. Additionally, both councils submitted separate UK Shared Prosperity and Rural England Prosperity Fund bids, despite very similar challenges facing communities and businesses across both councils. By establishing a single strategic lead on place based issues facing South and East Leicestershire, the councils would adopt (where agreed by both councils, ensuring their sovereignty is maintained) a co-ordinated approach to common issues, making best use of the resources, capacity and capabilities that exist across both councils, resulting in a stronger and more effective voice and response.

Strengthened organisational and service resilience - The Shared CEO would be accountable for the recruitment and retention of staff across both councils. Through a shared workforce strategy, the opportunity exists for both councils to work together to retain staff (through improved development opportunities), attract new staff (through a joint approach to recruitment) and ensure a flexible approach to deploying resources.

Deputy Chief Executives with thematic responsibilities Overview of roles





An overview of both roles is provided below:

HDC Deputy Chief Executive (Corporate and Transformation)

- To support the Shared CEO in setting the overall strategic direction of the councils and as a member of the Senior Leadership Team, work collaboratively providing leadership and supporting the corporate governance of the councils.
- To support the Shared CEO, the Leaders of both councils and elected members in defining and delivering the priorities, policies and plans for both councils.
- Overseeing the strategic and operational delivery of financial and corporate services and governance. Ensuring all services are peoplecentred, customer focussed and support and facilitate the councils' strategic objectives.
- To support the Shared CEO in partnership with the two Leaders and other elected members to develop and lead the implementation of the intended benefits of the strategic partnership between HDC and MBC in accordance with the business case and MoA to deliver best value outcomes for the local residents and communities of Harborough and Melton.
- To act as the operational lead for HDC in liaison with the Shared CEO to ensure day to day operational issues and opportunities are effectively co-ordinated within the sovereign council.

The HDC Deputy CEO will remain the operational lead for HDC, working with the Shared CEO to ensure the council fulfils all statutory obligations and delivers high performing services for the communities and businesses of Harborough.

MBC Deputy Chief Executive (Housing and Communities)

- To support the CEO in setting the overall strategic direction of the councils and as a member of the Senior Leadership Team, work collaboratively providing leadership and supporting the corporate governance of the councils.
- To support the Shared CEO, the Leaders of both councils and elected members in defining and delivering the priorities, policies and plans for both councils.
- To overseeing the strategic and operational delivery of communitiesbased services including housing and landlord functions. Ensuring all services are people-centred, customer focussed and support and facilitate the councils' strategic objectives.
- To support the Shared CEO in partnership with the two Leaders and other elected members to develop and lead the implementation of the intended benefits of the strategic partnership between HDC and MBC in accordance with the business case and MoA to deliver best value outcomes for the local residents and communities of Harborough and Melton.
- To act as the operational lead for MBC in liaison with the Shared CEO to ensure day to day operational issues and opportunities are effectively co-ordinated within the sovereign council.

The DCEO will remain the operational lead for MBC, working with the Shared CEO to ensure the council fulfils all statutory obligations and delivers high performing services for the communities and businesses of Melton.

Phased approach to further review and investigation





The following areas of potential collaboration would be considered during the phased approach to investigation:

Implementation of strategic partnership (pending decision by councils)

Signing and implementation of Memorandum of Agreement.

Establishment of Shared CEO and Head of Paid Services and Shared Deputy CEO posts.

Establish
Shared Strategy
Board.

Shared Strategy Stakeholder meeting.

Establish Shared
Partnership
Programme Board.

Phase 1 (Jan-April 2023)

Develop and appraise proposed arrangements for:

- Undertake initial review of senior leadership structures in particular Monitoring Officer.
- Executive support and transformation programme support.
- Waste & Environmental services shared leadership & enviro-crime campaigns.
- Environmental Health and licensing shared leadership, building on interim arrangements.
- Parking strategy Potential to align approach re developing car parking strategy / needs assessments relevant to each locality.
- Leisure operator procurement align elements of procurement process.
- CCTV Monitoring / maintenance of MBC systems by HDC (in progress)
- Improved Procurement service HDC exploring collaborative approach with Welland Procurement - hosted by MBC.
- Legal services shared capacity, expertise, building resilience and retention.
- Member development sharing good practice, induction procedures, joint training, peer support and scrutiny development
- Initial workforce & leadership development and cultural alignment.

Phase 2 (May-Dec 2023)

Develop and appraise options for:

- Planning explore potential for shared leadership and wider service delivery, joint procurement of evidence base documents for planning policy and expert advice for development management.
- Business support/economic development –such as aligning of systems and forms, coordination of UKSPF/ REPF delivery.
- Strategic Housing/Homelessness/Housing Needs

 consider opportunities for shared expertise on thematic areas- e.g. - Homes for Ukraine, domestic abuse. Cost of Living.
- Temporary Accommodation opportunity for knowledge transfer to support HDC's aspirations to develop more temporary accommodation in the District.
- Housing development for example jointly resourcing to enable and support housing development.
- Lifeline joint approach to digital switchover & commercial expansion.
- Community safety joint bids for funding.
- Communications shared campaigns /plans
- Explore with our teams, future customer services needs and options.
- Property and assets- explore potential for joint development opportunities and sharing key operational activities.



Appraising areas for potential collaboration





Both councils have identified a number of opportunities for alignment and collaboration between the councils. A number of these opportunities were being developed prior to the commissioning of this business case, while others have been identified in response to the development of the strategic partnership business case.

The following pages identify the opportunities for collaboration across service delivery, commissioning and procurement, corporate support services and external grant funding functions.

A systematic approach has been implemented; opportunities for collaboration have been linked to the core functions that each council delivers (planning, environmental services, support to local businesses etc.). Officers from both councils have been involved in identifying opportunities. The following slides provide a summary of findings.

For each opportunity, the following has been identified:

- The nature of the collaboration being proposed.
- The year where proposals would be investigated.
- The year where proposals would be implemented (and when benefits will start to be realised).
- The potential for financial savings, from the perspectives of both councils.
- The potential for efficiencies and increased productivity, from the perspectives of both councils.
- The potential for service improvement and resilience, from the perspectives of both councils.
- The potential for service growth (traded revenue, accessing grant funding or other forms of investment), from the perspectives of both councils.

For the purposes of the analysis undertaken within the strategic and financial cases, each opportunity has been assigned a grade (high / medium / low / none) that identified the potential impact of the transformation:

Potential for financial savings:

- High (c15% savings possible)
- Medium (c10% savings possible)
- Low (c5% savings possible)
- None / TBC (through phased approach to investigation)

Potential for efficiencies and increased productivity

- High
- Medium
- Low
- None / TBC (through phased approach to investigation)

Potential for service improvement and resilience

- High
- Medium
- Low
- None / TBC (through phased approach to investigation)

Potential for service growth

- High
- Medium
- Low
- None / TBC (through phased approach to investigation)

Potential shared management arrangements





Service area	Service function	Identified transformation	igatic		Potent financial		efficion efficion	tial for encies creased activity	ser	ement	Potent service	
			Yr. of invest	Yr. c imp	HDC	МВС	HDC	МВС	HDC	МВС	HDC	MBC
Senior Leadership team	Monitoring Officer	Potential for MBC's permanent MO to become shared MO across both councils.	2022/23	2023/24	High	High	Low	Low	Medium	Low	None	None
	Senior leadership team alignment	Initial review of senior leadership team structures to ensure appropriate alignment of roles.	2022/23	2023/24	Low	Low	High	Medium	High	Medium	None	None
Executive support	Executive support	Review of executive support functions and resources, based on implementation of Shared CEO role and potential for two Shared DCEOs with thematic responsibility, in addition to possibility of future shared MO	2022/23	2023/24	ТВС	ТВС	TBC	ТВС	TBC	ТВС	ТВС	ТВС
					Revie	ew of exis				s, in addit		<u>ure</u>
Transformati on support	Transforma tion support	Review of transformation arrangements and capacity across both councils linked to phases 1-3 of shared partnership programme.	2022/23	2023/24	ТВС	ТВС	ТВС	ТВС	ТВС	ТВС	ТВС	ТВС
					<u>Revi</u> e	ew of exis				s, in addit		<u>ure</u>





Service area	Service function	Identified transformation	rr. of nvestigation	Yr. of implementation	Potent financial		efficie and inc	tial for encies creased ctivity	ser improv	tial for vice vement silience		tial for growth
			Yr. of invest	Yr. of imple	HDC	МВС	HDC	MBC	HDC	МВС	HDC	МВС
Planning	Planning policy	 Opportunity to improve service resilience (address skills gaps and capacity, vacancies through collaboration opportunities). Shared procurement of key advice (viability assessment, agriculture advice), aligned processes & systems. Reciprocal S106 monitoring, GIS, AMR. 	2023/24	2024/25	Low	Low	Medium	Medium	Medium	Medium	None	None
	Conservation	• IT improvement – joint system templates, processes and forms.	2023/24	2024/25	None	None	Low	Low	Medium	Medium	None	None
Service	Waste management (resident and business)	 Shared leadership approach across both councils Potential to share administrative resource Ability to work together to 	2022 /23	2023 /24								
	Grounds & Environmental Maintenance Management of environmental crime	prepare for and implement requirements of Leicestershire waste strategy • Opportunity to collaborate on key			Medium	None	Low	Medium	Medium	High	Medium	Medium
	Environmental Health & Licensing	 Shared leadership building on interim arrangements. Recruitment, retention, resilience 	2022 /23	2023 /24	Medium	Medium	Low	Medium	Medium	High	Low	Low





			ation	entation	Potent financial		efficie and inc	tial for encies creased ectivity	ser improv	tial for vice vement silience	Potent service	tial for growth
Service area	Service function	Identified transformation	Yr. of investigation	Yr. of implementation	HDC	МВС	HDC	МВС	HDC	МВС	HDC	MBC
Local businesses	Business support / Economic Development	 Discussions ongoing: HDC has additional teams such as business centres, markets and events. Potential for MBC to share/install the grants approval system that HDC uses for more efficient management of grants schemes. Shared admin for UKSPF (HDC, MBC and Rutland) Shared management of activities for business support and skills using UKSPF. Opportunity for working together on similar agendas inc. tourism, town centre, performance data collection, liaison with LLEP and business support. 	2023/24	2024/25	Low	None	Medium	Medium	Medium	Medium	Medium	Medium





			Yr. of investigation	Yr. of implementation	Potent financial		efficie and inc	tial for encies creased ctivity	serv improv	tial for vice vement silience		tial for growth
Service area	Service function	Identified transformation	Yr. of ir			МВС	HDC	МВС	HDC	МВС	HDC	МВС
Housing (1)	Strategic Housing/Homeles sness/Housing Needs	 Rather than shared service approach, potential to begin to maximise resilience through shared approach / expertise on areas of thematic responsibility - e.g homes for Ukraine, domestic abuse housing alliance. Potential to agree in principle to taking a sub-regional approach to attracting funding for homelessness services such as RSAP 	2023/24	2023/24	None	None	None	None	Medium	Medium	Low	Low
	Temporary Accommodation	MBC housing management expertise creates opportunity for knowledge transfer and support to support with HDC aspirations to develop safe and regulatory compliant temporary accommodation in the District	2023/24	2023/24	Low	None	Low	None	Medium	None	Low	Low





Service	Service		Yr. of investigation	of plementation	Potent financial		efficie and inc	tial for encies creased ectivity	ser	ement	Potent service	tial for growth
area	function	Identified transformation	Yr. of inves	Yr. of imple	HDC	МВС	HDC	МВС	HDC	МВС	HDC	МВС
Housing (2)	Housing stock	 MBC housing management expertise creates opportunity for knowledge transfer and to support with HDC aspirations to develop safe and regulatory compliant temporary accommodation in the District Opportunity for MBC to assist HDC with informed client dialogue with RP's, particularly Platform Housing 	2023/24	2023/24	Low	None	Low	None	Medium	None	Low	Low
	Housing Development	 MBC has capacity in this area. Potential to consider jointly resourcing to scope and consider housing development opportunities. 	2023/24	2023/24	Low	None	Low	None	Medium	None	Medium	Low





			ation	entation	Potent financial		efficie and inc	tial for encies creased ctivity	ser improv	tial for vice vement silience	Poteni service	tial for growth
Service area	Service function	Identified transformation	Yr. of investigation	Yr. of implementation	HDC	MBC	HDC	МВС	HDC	МВС	HDC	MBC
Housing (3)	Sheltered Housing	With an ageing population a key challenge and opportunity for both councils, opportunity to consider co-commissioning evidence base / joint approach to a strategy for older persons housing to help inform housing enabling, liaison with RP's / developers and also own housing management arrangements. Housing and assistive technology / homes fit for the future.	2024/25	2025/26	None	None	None	None	Medium	Medium	None	None
Parking	Parking Strategy	Potential to align approach re developing car parking strategy / needs assessments relevant to each locality - a 'to do' for both councils.	2022/23	2023/24	Low	Low	Low	Low	None	None	None	None





			ation	entation	Potent financial		efficie and inc	tial for encies creased ctivity	ser	ement	Potent service	tial for growth
Service area	Service function	Identified transformation	Yr. of investigation	Yr. of implementation	HDC	МВС	HDC	МВС	HDC	MBC	HDC	МВС
Community Services (1)	Leisure centres	 Ongoing discussions regarding potential to align elements of leisure procurement arrangements (e.g. using same specialist provider to develop leisure procurement strategy). This will help MBC to respond to challenging timeframe and has demonstrated ability to be agile and work in a dynamic way to respond to changing needs. Both councils have the same leisure operator currently. Providers ability to pay management fee a challenge for both councils - strategic financial risk. 	2022/23	2023/24	None	Low	Medium	Medium	Medium	Medium	None	None





			Yr. of investigation	Yr. of implementation	Potent financial		efficie and inc	tial for encies creased ctivity	ser	tial for vice vement silience	Poteni service	
Service area	Service function	Identified transformation	Yr. of in	Yr. of implem	HDC	МВС	HDC	МВС	HDC	МВС	HDC	МВС
Community Services (2)	Lifeline monitoring	Opportunity to develop long term growth strategy and joint approach to comms, marketing and expansion of assistive technology offer. Joint approach to digital switchover. Will be eased through collaboration under umbrella of strategic partnership and give greater legitimacy to a joint approach rather than an aligned / contract led approach. Greater links with Lightbulb will be important and may be a key enabler for innovation in this area of work.	2023/24	2024/25	None	None	None	None	None	None	Medium	Medium
	Community Safety	Rather than shared service approach, potential to collaborate on future rounds of safer streets funding - to be considered when funding opportunities arise	2023/24	2023/24	None	None	None	None	Low	Low	Low	Low





			ation	entation	Potent financial		efficion efficion	tial for encies creased activity	ser	ement	Potent service	
Service area	nmunity CCTV • Project underway - MBC 2022/2	Yr. of investigation	Yr. of implementation	HDC	MBC	HDC	МВС	HDC	МВС	HDC	MBC	
Services (3)	CCTV	 Project underway - MBC modernisation of CCTV system. Monitoring / maintenance via HDC - economies of scale, improved outcomes, improved service quality and resilience 	2022/23	2023/24	None	Low	None	Medium	None	High	Medium	Low
	Customer Services	 Service review in MBC to inform and support future delivery arrangements for customer services. HDC have just brought back in house (was previously delivered by another council). HDC well placed to support MBC with a peer review / critical friend review to inform future options with MBC teams 	2023/24	TBC	None	None	None / required	None	None enefits be	None	None	None
		Exploratory review required prior to benefits being identified and realised			<u>LXPIOI a</u> l	tory review	required		enents be	mg ideitti	neu anu i e	118





			ation	entation	Potent financial		efficie and inc	tial for encies creased ctivity	ser improv	tial for vice vement silience	Potent service	
Service area	Service function	Identified transformation	Yr. of investigation	Yr. of implementation	HDC	MBC	HDC	МВС	HDC	MBC	HDC	МВС
Community Services (4)	Case Management - Me and My Learning	 A key strength for MBC - case management, mentoring, support for vulnerable residents and links to voluntary sector networks HDC developing a community development model Exploration of opportunities to align or harmonise approach to supporting communities 	2023/24	2024/25	None	None	Medium	Medium	Medium	Medium	None	None
Corporate functions (1)	Procurement	 Welland Procurement Unit HDC: Discussions underway with Welland procurement. Resilience benefits for HDC, opportunity to share expertise to jointly commission in the future 	2022/23	2023/24	None	None	Medium	Low	Medium	Low	None	Low





										HARBOR		
			gation	entation		tial for I savings	efficie and inc	tial for encies creased ctivity	ser improv	tial for vice vement silience	Potent service	
Service area	Service function	Identified transformation	Yr. of investigation	Yr. of implementation	HDC	МВС	HDC	МВС	HDC	MBC	HDC	MBC
	Law and Governance	 Opportunity for sharing of skills and capacity to increase resilience, retention, alignment. Shared Monitoring Officer Scrutiny Legal services. Resilience issues in HDC. MBC stable team, strong approach to governance. 	2022/23	2023/24	High	Medium	Medium	High	High	Medium	Low	Low
	Communications	Opportunity for shared campaigns, comms forward planning could maximise impact	2023/24	2024/25	None	None	Medium	Medium	Low	Low	Low	Low
	HR	 Shared Leadership Development Programme Shared Graduate Development Programme Potential for shared approach to workforce strategy / development of future leaders - leadership development opportunities. 	2023/24	2024/25	None	None	None	None	Medium	Medium	None	None

Phase 3 opportunities





In addition to those opportunities identified for investigation and possible implementation in 2022/23, 2023/24 and 2024/5, other potential areas for harmonisation, alignment and / or collaboration have been identified. Depending on need, these areas could be brought forward earlier but would more likely be investigated in 2024/25 or 2025/26:

- Development Management (Planning Applications, Appeals and pre application)
 - Planning is an important area for both councils, where across the sector recruitment and retention are key issues. Within Phase 2, and particularly following a recent senior management vacancy at MBC, there is a commitment to review the potential for shared leadership, and joint procurement of evidence base and advise. Following the current HDC externally-led service review of development management, there is an opportunity to consider further opportunities for collaboration and joint working across both Harborough and Melton in this area.
 - HDC currently undertaking an externally led review of Development Management; reporting expected early 2023.
 - This area will be kept under review and opportunities brought forward as required.

Strategic Planning (local plans)

- Future Local Plan alignment has not been discussed at this stage, but potential for collaborative approach in the future.
 Mapping of alignment / review of commonality recommended in the future.
- Areas for inclusion include opportunity to develop joint approaches to town centre regeneration, in addition to rural prosperity and investment.

Waste services contract

- Both councils have waste collection contracts with external providers. There is an opportunity to explore the potential value of a jointly procured contract in future.

Land charges

- Opportunity to collaborate to increase resilience.

Young People & Seniors strategies

Opportunity to review together and consider options for collaboration.

Health and wellbeing / ageing well

- Corporate functions where alignment, harmonisation or collaborative opportunities could be explored further.
 - Corporate property and asset management.
 - Finance services.
 - Information Technology.
 - Corporate health and safety.
 - Elections.
 - Policy and performance.
 - Parish Council liaison.
 - Commercial contract management.
 - Community centres (use of / booking promotion).







07 Strategic case

The case for change - shared challenges





Strategic influence - Both councils are currently experiencing challenges associated with their ability to influence decisions taken at a national, regional and sub-regional level. This impacts on each councils' ability to inform placed based strategies and influence the system wide working arrangements that directly affect their residents, communities and businesses.

HDC is currently ranked 259th in terms of size of population (out of 314) and 72nd in terms of size of geographical area (out of 314). MBC is ranked 311th in terms of population and 92nd in terms of geographical area.

Collectively, the councils deliver services to a combined population of c149,000 residents over 414.4 square miles. Should the councils assume a joint approach to representation and influence on place based issues, they would collectively represent the 147th most populated area and 27th largest in terms of geographical area.

Establishing arrangements that enable collective representation across South and East Leicestershire would result in levels of influence and negotiating power currently experienced by councils with similar population sizes, including Isle of White, Reigate and Banstead and East Devon.

A requirement for effective 'place leadership'

- The prominence of population health and place based approaches to designing and delivering public services strengthens the requirement for both councils to assume the role of place leaders.

Given the similarities that exist across both councils, in terms of demography, urban and rural populations, relatively low productivity and growth, community need and the impact of the cost of living crisis, a strengthened case exists for a mechanism that enables both councils to jointly plan and address the challenges being experienced by communities and businesses.

Specifically, both councils are required to plan for and deliver services and support that address need in the following areas:

- Inclusive growth and reducing deprivation
- Market town regeneration
- Rural prosperity and investment
- Net zero
- Housing development and affordability
- Health and wellbeing, including ageing well
- Young people strategy
- Transport and digital connectivity
- Skills
- Sustaining village life

Financial resilience and sustainability - Both councils are currently experiencing challenges and pressures associated with their financial resilience (see pages 72 and 73).

Given the current uncertainty regarding future levels of central government funding to councils, in addition to the impact of inflation on council finances, the case for realising efficiencies, enhancing value for money and securing savings where possible continues to strengthen.

Both councils have previously taken steps to realise efficiencies and savings; the opportunity to collaborate across a great range of services provides the opportunities for new efficiencies and savings to be investigated and potentially realised.

Collectively, both councils would be in a stronger position to maximise their ability to attract external funding. A joint approach to applying for and investing alternative sources of government funding (for example the Levelling Up Fund, UK Shared Prosperity Fund and Rural England Prosperity Fund) provides both councils with the opportunity to assume a long term approach to place leadership.

The case for change - shared challenges





Organisational and service resilience - Both councils have experienced challenges in terms of recruitment and retention (particularly amongst specialist teams and roles, including Monitoring Officer, planning and housing services). The councils have also heavily involved in supporting been communities and businesses in response to the pandemic, cost of living crisis and Homes for Ukraine programme, which takes vital resources away from front line services. Given the financial and service pressures facing both councils, there is a strong case for furthering arrangements that enable the sharing of resources, learning and good practice where appropriate.

Both councils currently operate shared arrangements, including Lifeline Monitoring, Out of Hours cover and parking enforcement. Additionally, both councils are involved in numerous collaborations across Leicestershire, including the Leicestershire Rural Partnership, Lightbulb Partnership and Leicestershire Building Control.

Both councils are committed to improving recruitment and retention rates; closer collaboration between the councils may enable increased opportunities for staff development and progression, with a stable and strengthened workforce directly

contributing to organisational and service resilience.

Both councils have already taken significant steps to reduce costs and realise efficiencies. Given that the vast majority of savings and efficiencies have now been realised within each council, their individual ability to independently generate further savings and efficiencies is limited. Given the respective specialisms and capabilities that exist across both councils, the opportunity exists for the councils to take a collective approach to exploring opportunities to realise efficiencies, reduce duplication and increase the quality of services through a partnership approach.

A strong desire to do more for residents, communities and businesses - Both councils are committed to achieving maximum impact for their residents and businesses. The current pressures being experienced as a result of the cost of living crisis, lasting impact of the Covid pandemic and long term challenges associated with comparatively low levels of productivity and social mobility require the councils to offer timely, flexible and targeted support. A collaborative approach to the delivery of services and support is required, to enable the sharing of learning, good practice and capabilities that can increase the scope, scale

and quality of the services and support delivered.

Maximising commercial opportunities - Both councils currently operate independent commissioning and procurement functions. In addition to the costs involved in delivering these functions separately, each council's purchasing power and ability to shape, influence and support markets (private and third sector) is less than if a joint approach to commissioning and procurement was adopted. Opportunities are currently missed in relation to joint commissioning against shared priorities and functions (i.e. leisure, wellbeing etc.), which increases costs and reduces the level of outcomes that could be achieved.

Similarly, each council currently develops and delivers separate regeneration strategies; this limits the ability of both councils to attract investment and additionality. A combined approach to regeneration and attracting investment would provide a more coherent and attractive proposition to potential investors, while the combined negotiating position of both councils would result in better value for money being realised.

The case for change - challenges specific to each council





Harborough District Council

Assumed savings associated with shared posts - The council's base budget for 2022/23 and MTFS already include savings associated with the sharing of senior leadership team posts. Elements of the new leadership team structure have recently been implemented, however further savings associated with shared posts will only be realised should shared arrangements be implemented.

Interim Chief Executive Officer - The council's current Interim Chief Executive is contracted until 31st December 2022, with the postholder then returning to their substantive post (Deputy Chief Executive, HDC). Should the strategic partnership not be implemented within the proposed timescales, the council will be required to either appoint a new interim Chief Executive, or commence a recruitment process with anticipated lead times of c3-6 months to appointment. Either option has the potential to create instability and prevent the council from agreeing and implementing plans until a new Chief Executive is appointed.

Interim Monitoring Officer - The council's current Monitoring Officer (Interim Director - Law and Governance) has been appointed on an interim basis until March 2023.

Deputy Chief Executive - The current Deputy Chief Executive is acting as the Interim Chief Executive of the council. The council's Section 151 Officer is currently fulfilling the role of Interim Deputy Chief Executive.

Melton Borough Council

Retention issues impacting on continuity of leadership - MBC has previously struggled to retain officers in key positions due to other larger districts being able to offer leadership opportunities and higher levels of pay for roles across a bigger population. This has been particularly felt in the housing team over the last 18 months and has required significant risk management. Loss of key staff has a significant impact on institutional knowledge, leadership continuity and places both service progress and improvement at risk as well as basic effectiveness.

Financial stability - Due to inflationary pressures MBC is tracking an in year overspend of nearly £500k and deficits projected over the medium term. The council has managed its finances well and has been effective at meeting the financial challenge, delivering balanced budgets over a number of years. It has though historically had a low level of reserves and although these have been added to over recent years, it is still vulnerable to financial shocks.

Inability to secure specialist resources - A challenge common in many districts is the inability to resource specialist technical skills at the required salary levels. Whilst the council has benefited from successful collaborative arrangements in some areas e.g. through the Welland Procurement Unit, there are other areas where internal specialist skills are currently limited and cannot be remunerated at the required market.

Ability to respond to changes in government policy or national challenges - MBC has demonstrated its ability to effectively respond to national challenges (covid response and grant distribution, Homes for Ukraine, and cost of living etc.). Doing so requires the council to re-prioritise within a parameter of tight and already stretched resources.

Alignment with national policy and legislation





There are a range of provisions in law that make sharing of council leadership and services possible:

- Section 101 of the Local Government Act 1972 allows local authorities to delegate functions to other local authorities (subject to provisions contained in other legislation). Although the delegating authority remains ultimately responsible for the execution of the functions, Section 101 makes it possible for councils to perform functions on behalf of other councils.
- Section 102 of the Local Government Act 1972 makes a provision for councils to establish joint committees with other local authorities to discharge their functions. Joint committees are invariably established through a legal agreement signed by the participating local authorities. There are many joint committees in operation, delivering specific services such as revenues and benefits, building control, museums, highways and waste or a range of services as in, for example, the East Kent Joint Arrangements Committee, Three Rivers and Watford, and Adurand Worthing.
- Section 113 of the Local Government Act 1972 allows a local authority to enter into an agreement with another local authority to place an officer of one at the disposal of the other for the purposes of discharging the latter's functions.
- Section 75 of the National Health Service Act 2006 allows local authorities and health bodies to pool funds and join together their staff, resources, and management structures to integrate the provision of a health-related service from managerial level to the front-line.
- Councils also have powers to set up companies for the purpose of performing any of their ordinary functions. They will, however need to be mindful of competition law and state aid issues. In their dealings with companies they own, wholly or in part, they must also observe the restrictions imposed by the Public Contracts Regulations 2006. There will be a number of other considerations in setting up a company and councils will need to seek specific advice before doing so.

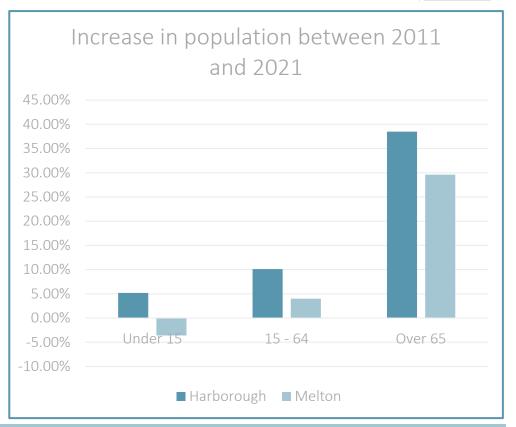
The proposed strategic partnership between HDC and MBC would create a shared management arrangement based on Section 113 of the Local Government Act 1972. All employees will remain contracted to their sovereign councils. There are a number of other provisions in law, identified above, which could provide a future opportunity for the partnership.

Analysis - Place and demography









Collectively the footprints of both councils cover much of rural South and East Leicestershire (HDC 228 sq miles / MBC 186 sq miles). Harborough has a higher rural population (66%), with 64% of Melton's population being urban (ONS classifications),

While Harborough's population of 97,600 is higher than Melton's 51,800, their geographic and demographic similarities mean they share common attributes, challenge and opportunities. This includes an ageing population with both places having seen large increases in the proportion of over 65s in the last 10 years and a need to attract and retain younger people into their communities.

Analysis - deprivation and inclusive growth





The majority of communities living within Harborough and Melton experience comparatively low levels of deprivation. At a council level, communities within Harborough experience lower levels of deprivation across all main domains when compared to those living within Melton. Factors that influence the levels and differences in deprivation are outlined below.

The median weekly wage is higher across Harborough (£564) compared to Melton (£454), both of which are below the national average (£613). Harborough has a higher rate of employment across 16-64 year olds (80.1%) compared to Melton (70.1%), while 62.3% of Harborough's employed residents are in skilled employment, compared to 55.7% in Melton.

The level of gross disposable income per head of population is higher in Harborough (£24,246) than Melton (£21,473). As of 2018, 39.4% of residents in Melton were employed in low paid jobs, compared to 25.4% in Harborough.

Communities across both council areas are experiencing challenges with housing availability and affordability, and connectivity (digital and access to public transport).

IMD indicators local authority rankings for both councils (2019)

(where lower = more deprived, out of 317)

Income	H	Harborough	Melton 260
Employment	797	303	260
Education, Skills and training	7	273	223
Health & disability	W	299	234
Crime		261	244
Living environment		285	161
Barriers to housing services		215	102

IMD Local Authority Rank for Deprivation (2019) (where lower = more deprived)

Harborough is

309th

out of 317 local authority areas

Melton is ranked

249th

out of 317 local authority areas



Analysis - deprivation and inclusive growth





Indicator (where 1 is the most deprived 10% LSOA)	LA rank	Income	Employment	Education	Health	Crime	Barriers	Living Environment
HDC - Lubenham	4	3	5	4	3	5	2	8
HDC - Mkt Harbo Welland	3	3	3	2	5	3	8	8
MBC - Melton Egerton	3	3	3	1	4	4	6	6
MBC - Melton Sysonby	3	3	3	2	4	4	4	10
MBC - Melton Craven	4	3	3	4	4	2	7	5
MBC - Melton Warwick	4	4	4	2	4	5	7	8

While there are not significant levels of deprivation and inequality at a council level, pockets of deprivation and inequality do exist. From a HDC perspective, Lubenham and Welland (Market Harborough) are ranked within the 4th and 3rd deciles for deprivation. Four Lower Layer Super Output Areas (LSOAs) within MBC are within the 3rd or 4th deciles for deprivation. Each of these MBC LSOAs are located within or very close to Melton Mowbray.

Given that four of the six LSOAs experiencing significant deprivation are located in Market Harborough and Melton Mobray, this indicates that where deprivation does exist across both councils, the majority of this deprivation is being experienced within urban (rather than rural) communities. However, the isolation and deprivation relevant to rural areas should also be considered.

Deprivation in each of these LSOAs relates to income, employment and education domains, while specific challenges are associated with barriers to services and housing in Lubenham. In Melton, the challenges associated with attainment and skills reflect the relatively low skilled jobs available in the town and represents a significant challenge to communities, businesses and the local economy.

Analysis - strategic alignment between councils





Function	HDC	MBC	Alignment	Areas of difference
Economy	Supporting business and residents	Delivering sustainable and inclusive growth in Melton	High	N/A
Climate, environment, waste and recycling	Creating a sustainable environment to protect future generations	Protect our climate and enhance our rural natural environment	High	N/A
Housing	Place and community (covers non landlord housing functions)	Providing high quality council homes and landlord services	Medium	HDC is a non stock holding council; HDC housing priority covers non landlord housing functions
Planning	Place and community	Protect our climate and enhance our rural, natural environment	High	N/A
Council Tax	Supporting Business and Residents	Excellent services positively impacting on our communities	High	N/A
Health and wellbeing	Promote Health and Wellbeing	Connected with and led by our community	High	N/A
Support services	Community Leadership	Ensuring the right conditions to support delivery	Medium	HDC have a specific focus on community engagement but both council's focus on improving customer services

Analysis - organisational values





There are differences between the organisational values of HDC and MBC, most notable in that HDC's values are more outward focussed than MBC's.

However, there are also clear similarities, in particular the emphasis both councils place on serving and putting their respective residents, businesses and communities first.

Both councils value care, fairness and voice, and champion innovation in the services they provide. There is also a shared acknowledgement in relation to being resourceful in what is a challenging financial landscape for local government.

Should the strategic partnership be established, further work is required to build cultural alignment and values across the partnership.

Harborough

Fairness: we will provide you with the best possible public services with the resources we have. We will always respond promptly when you contact us, resolve issues as quickly as possible, and treat everyone with respect and fairness.

Care: if you have complex problems in your life, we will work with you to help you live your best life. No one will need to deal with their problems in isolation.

Innovate: we will create a culture which promotes innovation, always looking for ways to improve our services and our relationship with communities and individuals.

02

Voice: we will always look to involve you in decisions that affect your life.

Value for money: be lean and use our resources well as we face financial challenges, we will look for efficiencies internally before we cut any services.

Melton

Care: valuing others and developing ourselves; committed and passionate about what we do

Innovate: ambitious, creative and resourceful, putting customers first and learning from feedback

Achieve: taking responsibility and seeking excellence; always proud to serve

Analysis - points of difference between councils





As demonstrated within the previous pages of this section, both councils face a range of common challenges and hold similar corporate priorities. There are however specific differences between the councils which the strategic partnership would be required to recognise and respect. The intention of the strategic partnership should not be to create a standardised approach to service delivery across both council areas; as outlined within the design principles the councils would be required to establish and agree a clear process for managing local variance (need and demography, demand for services etc.).

PLACE

Both geographical areas consist of rural settings, market towns and villages, many of which are unique in terms of their character and public service requirements. Additionally, certain communities experience levels of inequality and deprivation not experienced elsewhere, such as barriers to services and housing in Lubenham in Harborough and crime in Craven in Melton.

FINANCIAL

Variations between the budgets of both councils exist; MBC's General Fund is £4.8m, compared to HDC's £11.6m. MBC's HRA is valued at £7.2m, while HDC does not possess a HRA. Similarities do however exist in relation to core spending power per dwelling (HDC £267, MBC £276). Council tax as a proposition of expenditure is similar HDC 52%, 58% MBC).

HOUSING

HDC no longer has its own housing stock and does not operate a Housing Revenue Account ('HRA') unlike MBC. HDC holds ambitions to acquire temporary housing, whereas MBC already have this resource and expertise. Whilst both Councils have homelessness duties and housing availability challenges, the challenges housing markets will be different.

EMPLOYMENT

HDC has a higher rate of employment across 16-64 year olds (80.1%) compared to Melton (70.1%), while 62.3% of HDC's employed residents are in skilled employment, compared to 55.7% in MBC. As of 2018, 39.4% of residents in MBC were employed in low paid jobs, compared to 25.4% in HDC.

HDC SAVING TARGET

The council's base budget for 2022/23 and MTFS include savings associated with the sharing of senior leadership team posts. Elements of the new leadership team structure have recently been implemented, however further savings associated will only be realised should shared arrangements be implemented.

HDC: SENIOR INTERIM STAFF

HDC's Director of Communities and Monitoring Officer are interim appointments, while the Deputy Chief Executive post is vacant as the postholder is currently acting Chief Executive. MBC's senior leadership team are all employed on a permanent basis.

Place leadership across South and East Leicestershire





Informed by the analysis of councils (see section 3), a joint approach to place leadership would support both councils to address numerous shared challenges. For example, both councils are experiencing challenges associated with ageing populations, housing availability and affordability, and connectivity (digital and access to public transport). A co-ordinated approach to place leadership would allow both councils to speak with a louder voice, undertake shared campaigns, resources, capabilities and corporate expertise could be deployed on a sustained basis to ensure maximum impact is realised for communities and businesses. Key areas for the development of shared approaches include:

Regeneration and inclusive growth

- Rural prosperity and investment
- Market town regeneration
- Cost of living support
- UK Shared Prosperity Fund delivery
- Rural England Prosperity Fund delivery
- Tourism and the visitor economy
- Digital connectivity
- · Transport connectivity
- · Sustainability of village life
- Social mobility (higher skill and wage jobs, attracting and retaining more young people)
- Skills access to and influence over FE provision

Health and wellbeing

- Health and Wellbeing / Ageing Well
- Young People Strategy
- Access to Services
- Poverty/inequality

Funding and investment

- Attracting inward investment
- · Attracting grant funding

Infrastructure

- Development and utilisation of council assets
- Development and delivery of local plans and related infrastructure

Safer communities

- Community cohesion tolerance and inclusivity
- Rural crime
- Safer streets
- Provision for young people
- Environmental crime (fly tipping)

Climate change

- A path to net zero (council estate and services)
- A path to net zero (communities and businesses)

Housing

- Housing development
- Housing affordability

In addition to joint strategic planning and co-ordinated delivery, being represented by a Shared CEO will provide both councils with additional influence and leverage when engaging with external partners. As an example, the strategic partnership will strengthen both council's ability to engage with the Integrated Care Board; currently district councils experience limited influence and engagement due to the number of individual councils operating across Leicestershire (seven district councils). Additionally, the councils will be in a stronger position to engage and influence the Rural Services Network, given the collective geographic area and rural population being represented by the strategic partnership.

Improved organisational and service resilience





Organisational resilience

By authorising the appointment of MBC's current Chief Executive to the role of Shared CEO for the strategic partnership, HDC would be benefiting from an experienced and established Chief Executive with a strong working knowledge of the challenges facing Harborough's communities and businesses. In addition, the current MBC Chief Executive holds strong relationships and connections with local, subregional and regional stakeholders.

The appointment of MBC's current Chief Executive to the role of Shared CEO would avoid a recruitment process with anticipated lead times of c3-6 months, while the appointment would also enable HDC's current interim Chief Executive to return to her substantive role as Deputy. This will increase HDC's ability to achieve financial savings for 22/23 and 23/24, which are embedded within council budgets. The costs of recruitment would also be avoided.

The strategic partnership would provide a framework that will benefit elected members from both councils; peer support could be provided by portfolio holders with similar briefs and for chairs of committees at both councils. The opportunity for joint training and mentoring would also support increased organisational resilience.

The resilience of each council to ensure the delivery of statutory roles continues would also be increased through a strategic partnership. Currently single points of failure exist across both organisations in relation to statutory roles (safeguarding, health and safety advice, Conservation Officer (planning), equalities and land charges etc.).

Additionally, phase 1 of the investigation process will investigate the sharing of the Monitoring Officer post (MBC currently has a permanent appointment in place, HDC an interim until end of March 2023).

The intention is for both councils to have a permanent and qualified Monitoring Officer in place; sharing the role is likely to ensure the necessary capacity and capabilities are held across both councils.

Service resilience

Both councils have experienced challenges in terms of recruitment and retention (particularly amongst specialist teams and roles (including planning and housing services. In addition to a range of other service areas).

Phase 1 investigations will also assess the ability of opportunities to share leadership in waste and environment, and regulatory services, building on work already undertaken. In planning there are opportunities to explore shared leadership and planning policy there are opportunities to work together to address skills gaps and expertise, reducing potential disruption to progress. It may also be possible for both councils to reduce reliance on external expertise, by establishing in-house expertise together. Equally, a review of housing services during phase 1 would assess opportunities for taking a thematic leadership approach to key subject areas impacting on housing and homelessness services (such as cost of living)

A strengths-based approach to the phased investigation will be assumed, which has the potential to identify areas of service growth by maximising the collective skills, expertise and systems in place across both councils. Such growth, in addition to any efficiencies identified, has the potential to lead to either financial savings or additional funds being available to invest in services (at the discretion of the councils).

Additionally, a more aligned leadership structure (proposed for investigation during phase 1) will enable both councils to reduce duplication, realise efficiencies adopt a more place based approach and fill vacancies or interim arrangements currently in place within HDC, alongside the recent senior planning vacancy at MBC.

Managing local variance across the strategic partnership





The strategic partnership between both councils is designed to provide an appropriate platform that enables both councils to improve service quality, resilience and efficiency, while also increasing the collective influence of both councils and their ability to improve outcomes for their communities and businesses.

The opportunities for collaboration identified within this business case can be categorised as follows:

- The development of shared strategies to address joint challenges, as part of a place-based approach across South and East Leicestershire.
- The sharing of some senior management roles (Shared CEO, DCEOs).
- The alignment of approach and / or sharing of services, staff, skills, capacity, expertise, systems and intelligence across the councils (subject to approval from both councils phases 1, 2 and 3).

Through the above, the intention is not to establish a 'one size fits all' approach to service delivery. The following steps and safeguards will ensure that the specific needs of communities and businesses are reflected within the services they receive:

 Elected members will remain accountable to their local constituents. In determining any service model, elected members will ensure that local priorities and local needs are reflected in proposals. Each council remains sovereign, so elected members will only approve proposals (to be implemented by the strategic partnership) that are reflective of the needs of their communities.

- Each council will remain responsible for assessing need across their respective council areas.
- Proposals for shared services will (through the phased approach to investigation) be required to demonstrate how local challenges and variance will be met. Should the proposal for a shared service be based on the need to access additional capacity, expertise or improved systems, communities and businesses should experience an improvement in the quality of services delivered once the shared service is established.
- The Shared DCEOs for each council will assume operational responsibility and accountability for the services delivered to communities and businesses across their respective council.

Once implemented, collaborative approaches will be the subject of annual service reviews and service planning arrangements, in addition to being included within the 12-month review process (for all services delivered by the strategic partnership).

Should services not meet the needs of specific communities, the service review and planning process will identify such areas of performance and be required to implement arrangements that address the gaps in services.

Stakeholder engagement



Both councils have engaged with a range of partner organisations during the development of the strategic partnership business case.

The engagement exercise has provided the councils with the opportunity to explain and discuss the proposed establishment of the strategic partnership with a range of stakeholders, while also enabling stakeholders to ask questions and share their views on proposals (opportunities and concerns etc.).

The engagement process remains ongoing; the councils have requested that partner organisations provide feedback on the proposals by the end of November.

The individuals and organisations approached by the councils as part of this engagement exercise are as follows:

Joint approach by both councils

- · Leicestershire County Council
- Leicestershire Police and Crime Commissioner
- Alicia Kearns MP
- Neil O'Brien MP
- Alberto Costa MP
- Police Temporary Chief Constable
- NUT
- Federation of Small Businesses
- SLM Limited
- DWP Partnership Manager for Leicestershire
- Active Together
- Voluntary Action Leicestershire
- Leicestershire Promotions Ltd.

- PMO
- Leicester & Leicestershire Enterprise Partnership
- Clinical Commissioning Group
- Chief Fire and Rescue Officer
- NFU. Leics, Northants & Rutland County Adviser

Approached by MBC

- Melton Mowbray Town Estate
- **Brooksby Melton College**
- Melton Livestock Market
- Melton Policing Unit & BID Board Member
- Melton BID
- Melton Mowbray Food Partnership
- Pera Business Park
- Parish Council Chairs

Approached by HDC

- Market Harborough & Wigston NPA Commander
- **Platform Housing Group**
- VASL
- Market Harborough Chamber of Trade and Commerce
- Market Harborough and the Bowdens Charity

Confirmation of any feedback received will be provided with the relevant sections of the council reports.

Intended benefits - strategic case (1)





Informed by the strategic partnership proposition and analysis within this business case, an analysis has been undertaken to assess the potential for the partnership to achieve the intended benefits that align to the strategic case. The performance of the current arrangement (i.e. the 'do nothing' scenario) has also been assessed against the intended benefits.

		nership - demonstrable potential to chieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit		
Intended benefit	Performance	Rationale	Performance	Rationale	
Maximising our influence - speaking on behalf of South and East Leicestershire, increasing our collective influence regionally and nationally through a stronger, louder and more united voice.	High	Combined voice across two councils, collectively representing the 147th most populated area and 27th largest area in terms of geographical area. Single representation at local partnerships and forums and single line of contact to Integrated Care Boards, Rural Partnership.	Low	Continuation of current challenges and barriers that impede influence. Duplication of CEO roles on external relations, with both councils experiencing similar challenges but not speaking with a single voice. Some potential for collective representation, but not formalised and unlikely to be co-ordinated effectively on an ongoing basis.	
Maximising our collective strengths - working together to respond to and address shared and common challenges and opportunities at a local, corporate and sub-regional level.	High	Significant potential for a single place leadership function to respond to shared challenges. Shared CEO would play a pivotal role in co-ordinating a joint response and adopting a long term strategic approach to place shaping.	Medium	Continuation of current arrangements which demonstrate some joint working to address common challenges. As partnership arrangements are not formalised, potential for joint working to be adhoc and not part of a long place shaping strategy that would realise greater and more sustained benefits.	

Intended benefits - strategic case (2)





		nership - demonstrable potential to hieve intended benefit	Do nothing	- demonstrable potential to achieve intended benefit
Intended benefit	Performance	Rationale	Performance	Rationale
Futureproofing both councils and shaping the future collaboration agenda; cementing a solid and flexible foundation for long term partnership working.	High	Establishing a formalised strategic partnership would establish a new relationship and joint working culture across both councils. Phased approach to investigation and reform demonstrates the ability to implement significant shared arrangements over a 3 year period, increasing the pace of progress and improvement.	Low	Continuation of current arrangements has the potential to result in specific areas of joint working, but would not create an equitable platform to investigate and implement reforms. Without such formalised structures in place, future possible local government reform is unlikely to recognise service level innovation over more formalised structures that lead to improved outcomes, value for money and efficient public services.
Increasing service resilience - sharing resources, learning and good practice.	High	A phased approach to investigation has/will identify a range of service areas and management structure that could be reformed to improve sharing of resources, learning and good practice. Assuming the commitment of both councils to the strategic partnership, both organisations will be committed (politically and at officer level) to objective investigation and effective implementation of reforms that increase the resilience of services.	Low	Phased approach to investigation identifies a range of service areas and management structures that would be implemented outside of a strategic partnership. However, given no formal commitment by both councils to the sharing of arrangements, the pace and effectiveness of reforms is likely to be slower and less comprehensive (given the lack of a political and officer led mandate for reform).

Intended benefits - strategic case (3)

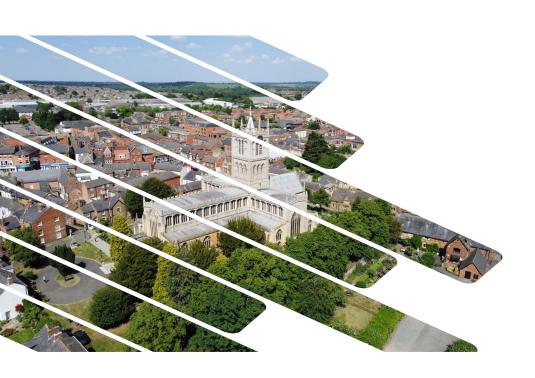




		nership - demonstrable potential to hieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit		
Intended benefit	Performance	Rationale	Performance	Rationale	
Improving organisational effectiveness - a joint approach that reduces duplication, increases service quality and improves outcomes.	High	The phased approach to investigation identified a range of services and management structures that could be reformed through a joint approach to reduce duplication and increase service quality.	Medium	The phased approach could be	
		The investigation process will require the development of business cases that demonstrate how the reforms will benefit residents and communities.		implemented without a strategic partnership, however the pace and effectiveness of these reforms without an agreed and formalised joint approach is unlikely to realise	
Accelerating the pace of progress/improvement and increasing the impact realised by both councils – a joint approach that reflects the best of both councils.	High	The phased approach identifies opportunities to protect, maximise and share the assets of each council (expertise, best practice, systems and intelligence). A corporate commitment to moving at pace and realising the required level of impact would ensure the pace of reform is a priority, with appropriate monitoring and oversight arrangements in place to enable sound programme management, scrutiny and oversight.	Low	the same levels of pace and impact as would be achieved via a strategic partnership. A joint approach would need to be agreed for each area of reform, however this is likely to be less efficient and cost effective.	







08 Economic case

Options considered - why a strategic partnership between HDC and MBC?





Following the retirement of the previous HDC Chief Executive in February 2022, HDC undertook an options appraisal in relation to resourcing senior management positions going forward.

In June 2022 an options appraisal that considered and appraised a longlist of leadership position arrangements was undertaken, identifying and considering the following options:

- Current arrangement: One Chief Executive across one District Council.
- One Chief Executive across more than two District Councils.
- One Chief Executive across one District Council and one County Council.
- One individual acting as Chief Executive of a District Council and Director/Deputy Chief Executive of a County Council.
- A primus inter pares model where Executive Directors take the role of Head of Paid Service in turn.

Additionally, the options appraisal identified and appraised the following options relating to senior management team arrangements:

- Current arrangement: Distinct senior management team with responsibility for HDC only.
- Partially or fully integrated senior management team across two or more councils.

Finally, the options appraisal identified and appraised a range of governance options:

- Current arrangement: Distinct governance arrangements for HDC only.
- Shared back-office functions (such as HR, finance, procurement, audit, ICT, customer services, public protection, building control, land, legal, property and revenues).

- Shared public-facing services
- Joint committee(s) set up in order to oversee the delivery of shared back-office functions and/or public-facing services.

Based on the council's assessment, it was agreed that the council should explore the potential of establishing a strategic partnership with a neighbouring council. The council agreed a delegation for the Leader and Interim Chief Executive to select a strategic partner, based on the criteria set out in the report, and to progress negotiations with that partner and report back to Council on the suggested way forward at a later date.

The HDC Leader and Interim Chief Executive have since undertaken an analysis of the strategic fit criteria and an evaluation of the other criteria in the June report to finalise the selection of the preferred strategic partner.

Following further analysis, HDC identified MBC as a preferred strategic partner and formally approached the Council to explore this further.

In October 2022 both councils recommended to their respective Cabinets that a business case and approach to operating a strategic partnership be developed. The recommendations were approved by the Cabinets of both councils.

Options considered - cost apportionment





Apportionment - Shared CEO and DCEOs

During the development of the business case and MoA, a range of options have been considered by both councils in relation to how the costs associated with the Shared CEO and DCEO posts would be fairly allocated across both councils.

The position of both councils is that the cost of the Shared CEO and DCEOs will be shared 50/50 between both councils. Various ways of apportioning costs were considered during the design of the strategic partnership proposition, however it was felt by both councils that given the following design principles and the commitment for the Shared CEO to fulfil all required duties equally on behalf of both councils, an equitable apportionment of costs is the most desirable option:

Design principle 5 - Create a mechanism that allows the effective and equitable deployment of resources

- A clear, transparent and agreed mechanism exists to ensure that the time of shared officers are fairly allocated to each council.

Apportionment - other areas incurring costs

In relation to other potential areas requiring cost apportionment between the councils, a key consideration relates to cross subsidisation; it is unlawful for one council to cross subsidise another and therefore beyond the Shared CEO/DCEO roles outlined above, both councils will be required to assume an alternative method of apportionment.

The design principles that must inform the strategic partnerships approach to apportionment of other costs are detailed below:

Design principle 8 - Create a mechanism that ensures a fair, equitable and proportionate allocation of costs

- A clear, transparent and agreed mechanism exists to ensure that the costs associated with the role of the shared officers are fairly allocated to each council.
- Where financial arrangements are shared (i.e. joint budgets or shared services), a clear process is agreed for managing local variance (need and demography, demand for services etc.).

The options that councils and Section151 officers will consider for cost apportionment during the phased investigation process are as follows:

- Population rationale 65% HDC and 35% MBC.
- Council tax base rationale 66% HDC and 34% MBC.
- Geographic area rationale 69% HDC and 31% MBC.
- Service specific rationale.

Options considered - cost apportionment





Option	Basis	HDC	MBC	Considerations			
	A simple 50/50 split reflecting two councils within the partnership			Legal/Finance	Legally and financially sound for the Shared CEO and DCEO but consideration would need to be given to applying this to other areas in order to avoid cross subsidy issues arising between the sovereign councils for other potential staff and services.		
				Partnership Ethos	Creates an equal and balanced starting position for both councils which can be refined overtime as the arrangements settle into practice.		
				Transparency	Transparent but has no evidential basis for determining the % apportionment and therefore could appear arbitrary.		
	relationship			Ease of calculation	Easy to calculate.		
				Behaviours	Drive partnership behaviour to be an equal balance between the Council's, especially important for the external, sub-regional relationships being represented by the Shared Chief Executive, however this does not necessarily align to the size and scale of the respective partnership councils.		
Population Ratio	Based on the 2021 ONS figures for population (HDC – 97,600 & MBC – 51,800)	65%	% 35%	Legal/Finance	Legal and financially sound for the Shared CEO and DCEO and would ensure a consistent approach could be applied across the partnership which addressed any challenge of cross subsidy arising between the sovereign councils.		
				Partnership Ethos	Creates an approach proportionate to the size and scale of the two councils within the partnership, however the scale of difference between the partnership councils would need to be carefully managed within the partnership.		
				6 35 %	Transparency	Transparent as it is supported by an evidential basis which can be adjusted over time based on the population changes of the local communities being served making this less challenging during the life of the partnership.	
				Ease of calculation	Easy to calculate, however population changes data would need to be agreed given the regularity of the census.		
				Behaviours	Drive partnership behaviour in proportion to the apportionment, so consideration would need to be given to how this would be managed within the partnership.		

Options considered - cost apportionment





					HARBOROUGH
				Legal/Finance	Legal and financially sound for the Shared CEO and DCEOs and would ensure a consistent approach could be applied across the partnership which addressed any challenge of cross subsidy arising between the sovereign councils.
Council	Based on the Band D council		% 34 %	Partnership Ethos	Creates an approach proportionate to the size and scale of the two councils within the partnership, however the scale of difference between the partnership councils would need to be carefully managed within the partnership.
				Transparency	Transparent as it is supported by an evidential basis which can be adjusted overtime based on the property base changes within the local communities being served making this less challenging during the life of the partnership.
	19,358.38)			Ease of calculation	Easy to calculate and capable of being updated on an annual basis.
				Behaviours	Drive partnership behaviour in proportion to the apportionment, so consideration would need to be given to how this would be managed within the partnership.
Based on an agreed apportionmen		ment the TBA cils % ne hip		Legal/Finance	Legally and financially sound for the Shared CEO and DCEOs but consideration would need to be given to applying this to other areas in order to avoid cross subsidy issues arising between the sovereign councils. This methodology is similar to the 50/50 basis but would need careful consideration to calculate the basis of the apportionment beyond a simple 50/50 split reflecting the two councils within the partnership.
			A TBA	Partnership Ethos	Offers an opportunity to determine the apportionment which is acceptable to both councils within the partnership and thus should support the partnership ethos, however the scale of difference between the partnership councils would need to be carefully managed within the partnership to reach this agreement.
% Apportion ment	between the two councils			Transparency	Lacks a degree of transparency as no evidential basis for determining the % apportionment. This would be more arbitrary than a 50/50 split.
	within the partnership relationship				Ease of calculation
				Behaviours	Drive partnership behaviour in proportion to the apportionment, so consideration would need to be given to how this would be managed within the partnership. However as the apportionment is arbitrary would need to ensure that the apportionment was not routinely changed or disputed breaking down trust within the partnership.

Options considered - cost apportionment





	Based on an accurate record of the % of time spent		Legal/ Finance	Legally and financially sound for the Shared CEO and DCEOs and could be applied to all service areas to be considered by the partnership as part of the SLA arrangements. This would give the most accurate record to avoid cross subsidy issues arising between the sovereign councils.	
		Annual Ani	ual Annual	Partnership Ethos	As the partnership is built on the basis of trust, such a methodology could result in numerous disputes or challenges and makes the forecasting of opportunities more challenging, especially for budget setting purposes as this methodology could only be applied retrospectively.
Time- sheet	between each of the two councils			Transparency	The methodology would be fully transparent but would require resourcing and audited across both councils.
	within the partnership relationshi			Ease of calculation	Would require a significant amount of work to capture the information and record the information, question the advantages of a senior team focussed on this detail rather than the strategic priorities of the Councils.
				Behaviours	All staff would be required to complete a timesheet in order for this methodology to remain sound, this behaviour could have a detrimental impact on the success and culture of the partnership.

Best public value - indicative analysis





Shared CEO and DCEO roles

The financial case appraises the value for money and financial savings aspects of the proposed Shared CEO and DCEO roles.

In addition to the realisation of financial savings, the roles of the Shared CEO and DCEOs is anticipated to realise additional economic value (as has been demonstrated by other councils adopting similar roles). The evidence indicates that added value can be realised as a result of:

- The role enabling the Shared CEO to do things once, rather than separate CEOs doing things twice in (potentially) a less co-ordinated manner.
- The Shared CEO having a single conversation with external stakeholders and partners, as opposed to two Chief Executives having two conversations with the same stakeholder.
- The ability for the Shared CEO to provide a single, louder voice on issues impacting on the councils, communities and businesses.
- The ability for the Shared CEO to promote a single vision and narrative on behalf of both councils; there is therefore less scope for ambiguity and greater clarity as a result of both councils adopting a single position on shared challenges.
- The Shared DCEOs for each council being in a strong position to manage local variance, ensuring that a 'one size fits all' approach is not assumed; the DCEO will ensure that local variance and need is taken into account when designing and delivering services for their respective council.
- The Shared CEO being well placed to deploy a greater scale of resource, expertise and shared experience to address shared challenges.
- A single officer (the Shared CEO) being well positioned to flexibly allocate resources, skills, capabilities and systems to address emerging place based challenges.

We see things from different perspectives, but the end goal is for both organisations to be stronger

Cllr William Nunn, Leader of Breckland



With all the challenges
local government faces,
sharing a management team
is an obvious step to make
savings. It also brings a lot
of other benefits, not just the
financial incentive

Kevin Dicks, Chief Executive, Bromsgrove District Council and Redditch Borough Council



Best public value - indicative analysis





The strategic case identifies a range of opportunities for both councils to collaborate on shared place based challenges. While it is not possible to identify the economic value of effective and successful joint approaches to shared challenges within this business case (this would require separate business cases for all proposals and the identification of a benefit cost ratio), it is possible to identify a variety of potential benefits/impacts that could be realised by residents, communities and businesses:

Regeneration and inclusive growth

- Increased digital connectivity
- Increased transport connectivity
- Increased GVA per hour worked
- Increased visitor spend
- Increase in employment rate (skilled / unskilled)
- Increased number of high skills jobs/proportion of population employed in skilled employment
- Increased average wage
- Increased number of apprenticeships
- Increased number of young people remaining in HDC and MBC
- Increased number of young people living in HDC and MBC

Health and wellbeing

- Reduction in relative IMD position, particularly in LSOAs identified as experiencing inequality and deprivation
- Higher life expectancy
- Improved quality of life
- Reduced levels of isolation

Safer communities

- Reduced fear of crime
- Increased pride in place

Housing

- Increased supply of housing
- Increased affordability of housing
- Increase in NNDR
- Reduced levels of homelessness

Climate change

- Reduced pollution levels
- Increased waling and cycling
- Reduced use of private transport (urban areas)
- Improved health
- Increased life expectancy

Intended benefits - economic case (1)





	Strategic partnership - demonstrable potential to achieve intended benefit		Do nothing - demonstrable potential to achiev intended benefit	
Intended benefit	Performance	Rationale	Performance	Rationale
Increased levels of inclusive growth, reduced deprivation and improved outcomes - doing more for our local communities and businesses.	High	A joint approach to the causes of deprivation and inequality is likely to realise increased benefits (compared to a single council response) – a combined council response will have access to collective expertise and resources, greater levels of strategic influence and the potential to attract greater levels of public and private investment.	Medium	Single council responses to the causes of deprivation can address the causes of deprivation and inequality, however such a response could potentially be more costly and less effective; the councils may collaborate on single causes of deprivation, however this is likely to realise less impact that a combined and holistic place based approach to addressing the identified causes.
Maximising external investment; enabling the future prosperity for our communities and businesses.	High	The strategic partnership provides a platform for joint bids for public and private funding. Given that both councils will have shared place strategies, bid applications will be able to demonstrate a collaborative approach to addressing shared issues, while bids will focus on the needs of combined populations, which will likely represent a stronger value for money case for investment. Additionally, the potential to demonstrate match funding is greater across two councils than one.	Medium	A single council approach to attracting external investment may be successful, but will lack the scope, scale and collective ambition of a joint council approach. The value for money case for investment is likely to be less compelling, while each council will be limited in relation to the availability of match funding/assets to attract investment or secure grant funding. Without a shared place based approach, the proposition may be well appealing to investors and funders.

Intended benefits - economic case (2)

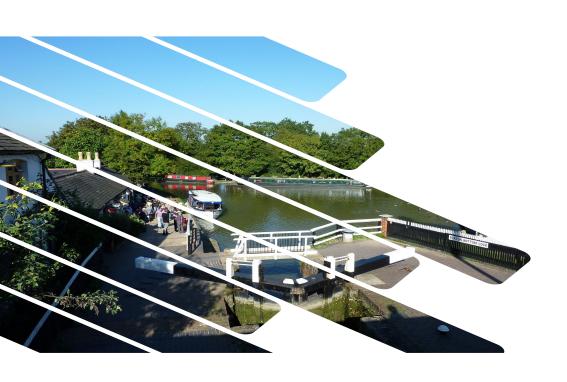




		tnership - demonstrable potential to achieve intended benefit	Do nothing -	demonstrable potential to achieve intended benefit
Intended benefit	Performance	Rationale	Performance	Rationale
Maximising impact by jointly addressing shared challenges, including net zero, cost of living, health and wellbeing, digital connectivity, housing affordability etc.	High	Joint place-based approaches to addressing shared challenges, informed by shared strategies, has the potential that maximise impact; shared resources, expertise and leadership across both councils will be focussed on securing partner buy-in, attracting investment and securing improvements. A joint approach is likely to realise greater levels of strategic influence and the potential to attract greater levels of public and private investment. Additionally, the strategic partnership can establish the required conditions for increased service efficiencies, productivity, resilience and growth.	Medium	Single council responses to place based challenge may be effective, however such a response could potentially be more costly and less effective; the councils may collaborate on single issues, however this is likely to realise less impact and demonstrate a weaker value for money/cost benefit position. The current arrangement between council can drive increased service efficiencies, productivity, growth etc., however this is likely to be achieved on a service by service basis, rather than being part of a wider programme of transformation.
Increased impact realised through collective campaigns and public awareness initiatives	High	Shared strategies and joint approaches to campaigns, using the expertise and reach of both councils, is likely to realise a higher degree of effectiveness than a single council approach. MBC have already highlighted HDC's success re: fly tipping.	Medium	Single council campaigns can be effective (i.e. HDC's fly tipping campaign), however they will likely have less impact than shared campaigns.







09 Financial case

Financial case - overview of approach





The financial case focusses on the financial implications of the transformation identified within the strategic partnership proposition:

- Creation of the Shared CEO post across both councils.
- The creation of two Shared DCEO posts, with each postholder being employed by one of the councils and assuming thematic responsibilities spanning both councils.
- The investigation and implementation (subject to the approval of both councils) of the phase 1 and 2 opportunities identified within pages 110 to 120.

For each of the above, a separate analysis has been undertaken to assess the financial impact of the transformation from the perspective of each councils. Current benchmarked costings are used to provide a cost baseline for existing posts, while market information from other councils employing joint Chief Executive Officers and Deputy Chief Executives has been used to identify the appropriate salary point for the new roles.

All assumptions that inform the calculations are identified, including the underlying assumption that cost apportionment across the councils for the senior roles detailed above is based on a 50/50 split. This approach would ensure a balanced and equalised strategic leadership approach across both organisations within the partnership. Additionally, the costs of change incurred (business case, MoA and associated transitional and mobilisation advice) have been identified and included within the analysis.

It is important to note that a 50/50 split will not always be the starting point. Where business cases are developed which consider the sharing of other officers or services the Section 151 Officer(s) shall determine the appropriate rationale to be utilised which means that a different approach to apportionment may be applied. Examples are included within the MoA.

The analysis provided within the financial case focusses solely on financial (monetised) considerations. Other financial (non-monetised) benefits, such as increased productivity and service resilience are considered within the economic case.

Shared services have delivered savings for both councils, but more importantly it has provided a larger, more resilient base from which to transform

Kevin Dicks, Chief Executive, Bromsgrove District Council and Redditch Borough Council



Financial analysis - Shared CEO





Assumptions

- The salary costs associated with the current Chief Executives for each council are as follows:
 - HDC = £111,184
 - MBC = £113,930
- An independent assessment has been undertaken, supported by East Midlands Councils, to benchmark salaries for shared roles. The detail of this assessment will be appended to council reports at both councils. A summary is provided below:
- The average salary cost across 14 councils* employing a Shared/Joint CEO is £145,873 per annum.
- The midpoint (median) salary cost across 14 councils* employing a Shared/Joint CEO is £144,506.
- The range of salary costs across 14 councils* employing a Shared/Joint CEO.
 - Highest = £169,677
 - Lowest = £125,200
- The proposed salary of the Shared CEO for the HDC & MBC strategic partnership is assumed as £140,000 per annum.
- The costs associated with the proposed salary of the Shared CEO for the HDC & MBC strategic partnership will be apportioned 50%/50% across both councils.
- Note: salary costs shown above do not include on-costs
- * = Figures based on 2021/22 Draft Published Statement of Accounts.

	HDC	МВС
Current CEO salary (excluding oncosts)	£111,184	£113,930
Proportion of Shared CEO salary (excluding on- costs)	£70,000	£70,000
Annual saving	£41,184	£43,930
%	37.0%	38.5%

Financial analysis - Shared DCEOs





Assumptions

- The salary costs associated with the current Deputy Chief Executives for each council are as follows (excluding on-costs):
 - HDC = £86,488
 - MBC = £86,453
- An independent assessment has been undertaken, supported by East Midlands Councils, to benchmark salaries for shared roles. The detail of this assessment will be appended to council reports at both councils. A summary is provided below:
- The average salary cost across 14 councils* employing a Shared DCEO is £105,927 per annum, excluding on-costs.
- The midpoint (median) salary cost across 14 councils* employing a Shared/Joint CEO is £105,638, , excluding on-costs.
- The range of salary costs across 14 councils* employing a Shared/Joint CEO excluding on-costs:
 - Highest = £133,982
 - Lowest = £79,700
- The proposed salary of each DCEO is assumed as £105,000 per annum, excluding on-costs.
- The costs associated with the proposed salary of the DCEOs for the HDC & MBC strategic partnership will be apportioned 50%/50% across both councils.
- Note: salary costs shown above do not include on-costs
- * = Figures based on 2021/22 Draft Published Statement of Accounts.

	HDC	МВС
Current DCEO salary (excluding on-costs)	£86,488	£86,453
Proportion of Shared DCEO salary (excluding on-costs)	£105,000	£105,000
Annual saving	-£18,512	-£18,547
%	-17.6%	-17.7%

Financial analysis - Director of Communities





Assumptions

- The HDC Director of Communities post is currently held by an interim appointment; fixed term contract ends on 31st March 2023.
- The salary cost of the HDC Director of Communities is £79,289 per annum, excluding on-costs.
- From 1st April 2023, HDC will delete the post, given that the DCEO (MBC) will assume thematic responsibility for communities and housing should the strategic partnership be established.

The following are also assumed:

- The current interim postholder of the HDC Director of Communities position will support the DCEO (MBC) from January to March 2023 by providing transformation support.
- Note: Following deletion of the Director of Communities post from the HDC establishment, it will be necessary to determine if some additional resource will be needed to support the operational delivery of communities focussed activity in HDC. If it is deemed that additional resource is needed, the annual saving from the deletion of this post will reduce the overall HDC saving by circa 26%.

	HDC	MBC
Current Director for Communities (excluding on- costs)	£79,289	N/A
Annual saving	£79,289	N/A
%	100%	N/A

Financial analysis - phase 1 & 2 opportunities





Assumptions

- Indicative savings associated with proposed service transformation during phases 1 and 2 have been identified by both councils. Savings are based on prudent assumptions for a limited suite of services where both councils can achieve collaboration relatively quickly (i.e. phase 1).
- Where there is confidence across the councils that transformation can also be achieved in phase 2, prudent savings have been assumed.
- As the collaboration arrangement progresses, it would be expected that, in line with normal continuous improvement practices, all services will be reviewed to ensure that the most effective approach to delivery, securing value for money and economically efficient services to all residents and businesses.
- It is assumed that a Shared Monitoring Officer post will be established during phase 1. Given that this does not form part of the formal proposition, it is included within the phase 1 opportunities (Legal and governance).
 - Current annual salary cost for single MO Officers
 - HDC = £75,000
 - MBC = £65,000
 - The average salary cost across 14 councils* employing a Shared Mo is £90,606 per annum, excluding on-costs.
- The proposed salary of the Shared MO is assumed as £90,000 per annum, excluding on-costs. This cost will be allocated across both councils on a 50/50 basis.
- The anticipated saving of the Shared MO post is included within the savings calculations (table to the right).

	н	OC .	МВС	
	2023/24	2024/25	2023/24	2024/25
Non- cumulative savings realised	£120,469	£26,146	£49,597	£22,144
Saving	£120,469	£26,146	£49,597	£22,144

Financial analysis - costs of change





Background

Each Council has set aside an allocation of up to £50,000 to enable development of the business case, MoA and associated legal and technical support to enable transition and mobilisation.

Assumptions

- Costs of external support incurred during the development of the strategic partnership business case and MoA:
 - Consultancy support = £64,000
 - HR support (East Midland Councils) = £400
- Costs to be apportioned 50/50 across both councils.
- Future anticipated costs of change are not included currently. Mapping of existing capacity and future requirements is to be undertaken during phase 1, in relation to:
 - Executive support
 - Transformation support

	HDC	МВС
Costs of change	£32,200	£32,200

Projected savings - HDC overview





Overview of identified savings

	2023/24 Non-cumulative	2024/25 Non-cumulative	2025/26 Non-cumulative	Total cumulative over 3- year period
Savings - Shared CEO*	-£41,184			-£123,552
Shared DCEO*	£18,512			£55,536
Savings - Director of Communities*	-£79,289			-£237,867
Savings - phase 1 and 2 collaboration	-£120,469	-£26,146	TBC	-£413,699
Cost of change	£32,200	-		£32,200
Total saving	-£190,230	-£26,146	-	-£687,382

^{* =} Note: salary costs shown above do not include on-costs so actual savings will be higher.

Savings offsetting identified deficit

	2023/24	2024/25	2025/26	Total cumulative over 3- year period
Deficit identified (MTPS)	£1,377,000	£1,367,000	£1,620,000	£4,364,000
New savings identified (cumu	-£687,382			
Cumulative savings as % of c	15.6%			

Projected savings - MBC overview





Overview of identified savings

	2023/24	2024/25	2025/26	Total cumulative over 3- year period
Savings - Shared CEO*	-£43,930			-£131,790
Shared DCEO*	£18,547			£55,641
Savings - phase 1 and 2 collaboration (including one off savings)	-£49,597	-£22,144	TBC	-£187,579
Cost of change	£32,200			£32,200
Total saving	-£42,780	-£22,144	-	-£231,528

^{* =} Note: salary costs shown above do not include on-costs so actual savings will be higher.

Current gap identified within MTFS

	2023/24	2024/25	2025/26	Total cumulative over 3- year period
Deficit identified (MTPS)	£140,000	£378,000	£218,000	£736,000
New savings identified (cumu	-£231,528			
Cumulative savings as % of c	31.5%			

Financial case - findings





HDC

The proposed establishment of the strategic partnership is forecasted to realise the council a cumulative saving of £687,382 over the 3 year period 2023/24 to 2025/26.

The council will realise an annual saving of c£41k in relation to the Shared CEO post, although an additional cost of employing a Shared DCEO with thematic responsibilities across two councils will be incurred (c£18.5k per annum).

The deletion of the Director of Communities realises an annual saving of c£79k, with this saving made possible by the MBC DCEO assuming thematic responsibility for communities.

The council is forecasted to realise a saving of c£120k in 2023/24 as a result of the implementation of service transformation identified within phase 1, including the establishment of a shared MO post across both councils. A further c£26k will be saved each year from 2024/25 as a result of phase 2 transformation.

The council currently has a cumulative unfunded deficit of £4,364k over the same period; the savings forecasted through the implementation of the strategic partnership arrangement represent 15.6% of this deficit.

As outlined within section 8, the implementation of the strategic partnership is anticipated to realise the council, communities and businesses a range of non-monetised economic benefits (improved service resilience, increased efficiency and productivity etc.) that are not reflected within the above financial forecasts.

MBC

The proposed establishment of the strategic partnership is forecasted to realise the council a cumulative saving of £231,528 over the 3 year period 2023/24 to 2025/26.

The council will realise an annual saving of c£44k in relation to the Shared CEO post, although an additional cost of employing a Shared DCEO with thematic responsibilities across two councils will be incurred (c£18.5k per annum).

The council is forecasted to realise a saving of c£49k in 2023/24 as a result of the implementation of service transformation identified within phase 1, including the sharing of a MO. With the exception of a single one-off £2,750 (parking strategy), all other savings represent a reduction to the cost base for future years. A further c£22k will be saved in 2024/25 as a result of phase 2 transformation.

The council currently has an indicative cumulative unfunded deficit of £736k over the same period; the savings forecasted through the implementation of the strategic partnership arrangement represent 31.5% of this deficit.

As outlined within section 8, the implementation of the strategic partnership is anticipated to realise the council, communities and businesses a range of non-monetised economic benefits (improved service resilience, increased efficiency and productivity etc.) that are not reflected within the above financial forecasts.

Although HDC is forecasted to realise a greater value of financial savings over the 3 years, HDC has a higher unfunded deficit to address. While HDC would realise a forecasted £637k of savings, this equates to 15.6% of the identified deficit. MBC is forecasted to realise savings of £231k over the same period, representing 31.5% of their unfunded deficit.

Intended benefits - financial case (1)





		ership - demonstrable potential to hieve intended benefit	Do nothing -	- demonstrable potential to achieve intended benefit			
Intended benefit	Performance	Rationale	Performance	Rationale			
Improved financial sustainability - through growth, efficiency/removal of duplication and the realisation of savings.	Medium	Each council is forecasted to realise savings over a 3 year period, representing an improvement in their respective financial positions. However the value of savings forecasted by both councils is insufficient to offset the full unfunded deficit being forecast by both councils. In the context of the significant financial pressures facing Local Government, both Councils will need to continue to plan ahead to achieve a pipeline of savings and efficiencies.	Low	The 'do nothing' scenario would not realise either council the level of savings that have been identified within the strategic partnership financial case. In relation to HDC specifically, savings associated with joint posts are currently assumed within the 22/23 budget, in addition to savings being assumed in future years. Should the strategic partnership not be implemented, these savings would not be realised until alternative plans are agreed and implemented.			
Improved value for money - through sharing capabilities, resources and working practices.	High	In addition to the financial savings forecasted, additional non-monetised economic benefits would be realised, enabling each council to do 'more with the same' or 'more with more', as duplication is removed, additional skills and capacity made available and shared etc.	Low	While certain elements of phase 1 could be implemented outside of the strategic partnership, this is likely to be on a service by service basis; it is therefore unlikely that the full benefits of a programme wide approach to transformation would be realised. Benefits would instead be specific to services or individual posts and would not benefit from the partnership infrastructure and leadership.			

Intended benefits - financial case (2)





		ership - demonstrable potential to hieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit				
Intended benefit	Performance	Rationale	Performance	Rationale			
A net financial benefit to the councils – ongoing savings, efficiencies and added value outweigh the costs of change.	High	Each council is forecasted to realise a net benefit as a result of establishing the strategic partnership: HDC - a cumulative financial saving of £687,382 over the period 2023/24 to 2025/26. MBC - a cumulative financial saving of £231,528 over the period 2023/24 to 2025/26.	Low	The opportunity cost of the councils not implementing the strategic partnership equates to the forecasted cumulative saving for each council that would be realised through the implementation of the strategic partnership. Additionally, the councils have already incurred the costs of change identified within this financial analysis.			







10 Commercial case

Governance arrangements





The Memorandum of Agreement ('MoA') and proposition, developed in conjunction with this business case, identify the following tiers of governance to ensure appropriate leadership, oversight and operational control of the strategic partnership::

Shared Strategy Board

Purpose: To oversee strategic direction, assurance and monitoring of the strategic partnership. It shall meet, operate, and be serviced in accordance with its terms of reference at Schedule 2.

Role and function: The Shared Strategy Board is an informal non-decision-making group.

The Shared Strategy Board will have the following roles and functions:

- 1. To consider matters of interest, opportunities for joint working and any potential further joint working of the two councils.
- 2. Monitoring the shared workforce arrangements.
- 3. Considering proposals to withdraw from the arrangements and disputes referred to by any of the councils.
- 4. To identify, develop and oversee the implementation of, opportunities for the joint and mutually advantageous promotion of, and investment in, each of the authorities' areas by central and local government, other bodies and agencies (including, but not limited to the Environment Agency, the Enterprise Partnership, Historic England, Highways England, The Arts Council, Sport England and Homes England, County Council).
- 5. To consider and develop (if so minded) proposals for the expansion of the strategic partnership insofar as that would be consistent with the purposes of the MoA.
- 6. To identify those issues which arise and are likely to affect the future prosperity and democratic arrangements in both areas and project a joint voice in respect of such matters with the object of ensuring any change benefits to the greatest extent the councils and their local communities.
- 7. Advising on proposals brought forward on shared officer arrangements and other joint working between the councils.
- 8. To explore areas of corporate planning that are of mutual interest.
- 9. To consider areas of innovation and budget efficiencies across both councils.
- 10. To recommend proposals to formal decision-making bodies / individuals at each council.

Membership: The Shared Strategy Board will comprise:

- All Cabinet members of each Council
- The Shared Chief Executive
- Such other officers and/or members that may be invited by the Leaders of the two councils (who must agree any such an invitation in advance of the meeting) or by the Shared CEO.

Governance arrangements



Shared Stakeholder Group

Purpose: To be responsible for overseeing strategic direction and assurance and monitoring of the programme across organisations, ensuring the programme delivers to agreed strategic objectives as set by the Shared Strategy Board.

Membership:

- 2 x Council Leaders
- 2 x Council Deputy Leaders
- Shared Chief Executive
- Deputy Chief Executives
- Section 151 Officer(s)
- Monitoring Officer(s)

Strategic Partnership Programme Board

Purpose: Officer led programme management, investigation and development (priorities confirmed by Shared Strategy Board).

Membership:

- Shared Chief Executive
- Deputy Chief Executives
- Transformation capacity (TBC)
- All Directors and Assistant Directors (as required)

Functions:

- To provide overall leadership, direction and steer to the programme.
- To provide support and hold officers accountable for delivery.
- To establish and embed a robust and effective governance framework for transformation initiatives.
- To hold discussions and make decisions that will enable the programme to be delivered to time, cost and quality requirements.
- To manage delivery of transformation initiatives, including variances between plans and performance.
- To champion the programme to ensure obstacles and barriers to delivery are removed.

- To ensure sufficient resources are released or made available as required.
- To deliver the programme plan and ensure effective controls are in place to manage risks, assumptions, issues, dependencies and agreed changes.
- To ensure a smooth transition from the programme to business as usual and that outcomes and benefits of transformation are realised.
- To co-ordinate and champion programme communications.

Joint Chief Officer Employment Panel

Purpose:

- Attending interviews with and providing feedback and representations to the employing Council in respect of the appointment of the Shared Head of the Paid Service/Chief Executive.
- Attending interviews with and providing feedback and representations to the employing Council in respect of the appointment of any statutory or non-statutory Shared Chief Officer.

Membership:

- · 4 members appointed by Harborough District Council and
- 4 members appointed by Melton Borough Council
- Appointments shall be made in accordance with the Local Government (Committees and Political Groups) Regulations 1990/1553:
- At least one member of the Panel shall be a member of HDC's Cabinet and at least one member shall be a member of MBC's Cabinet.

Strategic partnership - the nature of the deal





Memorandum of Agreement ('MoA')

The MoA defines the nature of the strategic partnership between the two councils. The document is based on the agreed design principles included within this business case and sets out the desire for the arrangement to be a 'cost sharing, rather than savings sharing' partnership. The MoA sets out the following commercial arrangements in relation to the Shared CEO and Shared DCEO (x2) posts:

- HDC shall meet 50% and MBC 50% of the ongoing salary and on-costs, superannuation, national insurance, training, travel and incidental costs of the Shared Officer structure;.
- HDC shall meet 50% and MBC 50% of any redundancy and associated pension strain costs and subsequent redundancy, employment tribunal or other dismissal claim costs arising from the creation or ongoing operation of the Shared Officer structure after the commencement of the Agreement.
- The Section 151 Officer(s) may adjust, following agreement with the Shared CEO and Leader of the council(s) the apportionment of any on-going costs.
- The councils shall account for the costs of and savings to each
 of the councils in accordance with the budget and accounting
 systems of each of the councils and in accordance with all
 relevant law and guidance including all relevant CIPFA Guidance
 and to the satisfaction of the Section 151 Officer.

Financial controls

Given the nature of the proposed partnership between both councils, one crucial consideration is cross subsidisation. It is unlawful for one council to cross subsidise another and therefore where other posts are services are considered for sharing, beyond the Shared CEO and DCEO roles, it is recommended that an alternative approach to cost apportionment is considered by Section 151 officer(s):

- Population rationale 65% HDC and 35% MBC.
- Council tax base rationale 66% HDC and 34% MBC.
- Geographic rationale 69% HDC and 31% MBC.
- Or service specific rationale.

Commercial safeguards for both councils

For the partnership to implement any further shared officers or services, both councils would be required to provide formal approval. Both councils remain sovereign and retain current decision-making powers in relation to any decisions relating to the partnership. Additionally, the 12 month review process will assess the effectiveness of the strategic partnership.

Housing Revenue Account ('HRA')

Given that HDC does not hold housing stock or operate a HRA, financial controls are required to ensure separation between MBC's HRA, General Fund and HDC's General Fund account.

MBC is required to consider the proportion of the HRA contribution to the 50% allocation of Shared CEO salary costs. Additionally, should HDC establish housing stock and a HRA in the future, it would be required to establish similar arrangements.

Workforce considerations





Employment arrangements

The Shared CEO will remain employed by MBC, with a section 113 agreement in place:

Section 113 (1) of the Local Government Act 1972 provides that a local authority may enter into an agreement with another local authority for the placing at the disposal of the latter for the purposes of their functions, on such terms as may be provided by the agreement, the services and officers employed by the former. An officer placed by one local authority at the disposal of another remains employed by the first local authority.

The justification for the above approach, as opposed to the councils undertaking a recruitment process to identify and appoint a Shared CEO are as follows:

- The strategic partnership is not a legal entity, meaning that the Shared CEO would need to be employed by one of the partner councils, with a section 113 agreement in place to allow for the shared post. As such, the strategic partnership can not advertise for a Shared CEO.
- The respective pay structures of the councils do not allow for the proposed pay for a shared CEO post (with additional responsibilities to be assumed, above the current CEO pay scales).

The Shared DCEOs will remain employed by their respective councils.

Salary costs - benchmarking and new pay policy/structure

Given that both councils' current pay policies and structures do not cater for shared roles, benchmarking has been undertaken (with the support of East Midland Councils) to understand the current market rates for the following positions:

- Shared CEO
- Shared DCEOs with thematic responsibilities across two councils
- · Shared Monitoring Officer

The outputs from the benchmarking exercise have informed the costing assumptions that underpin the financial case.

Additionally, both councils will be required to develop and agree new pay policy statements and pay structures to ensure the shared roles listed above fall within the pay structures of both councils.

Workforce strategy

The strategic partnership would need to prioritise a workforce strategy that creates the conditions for improved recruitment and retention. The opportunities for service collaboration identified within pages 110 to 120 demonstrate numerous opportunities to share staff, skills and resources. Additionally, the opportunities for service growth will create development opportunities for staff.

Agreeing and implementing strategic partnership priorities





Approach to agreeing shared priorities and approaches

The creation of a formalised strategic partnership between both councils is designed to establish a framework and platform that enables both councils to improve service quality, resilience and efficiency, while also increasing the collective influence of both councils and their ability to improve outcomes for their communities and businesses.

Should the strategic partnership be established, the councils would undertake a phased approach to the investigation of opportunities for collaboration. The Shared Strategy Board and Strategic Partnership Board would work in partnership to identify and appraise opportunities for collaboration. Should investigations identify areas of potential collaboration that are considered mutually beneficial to both councils, the Shared Strategy Board would make recommendations to both councils, for the consideration by the relevant decision making body or bodies.

This phased approach to investigation would commence in 2023/24. Both councils have identified examples of where service collaboration is being actively considered currently; these opportunities (see pages 110 to 120) would be the first to be investigated through the phased approach being proposed.

Adopting a business case approach to investigation

The Strategic Partnership Programme Board would be responsible for identifying opportunities for collaboration. A longlist of opportunities would be forwarded and discussed at the Shared Strategy Board. The Shared Strategy Board (consisting of all Cabinet members from both councils and the Shared CEO) would instruct the Strategic Partnership Programme Board to develop businesses cases for opportunities that it felt would be most likely to achieve the intended benefits of the strategic partnership.

The process of developing businesses cases would focus on the following:

- A clear identification of the in-scope services, resources and/or posts.
- Clear proposals in terms of the nature of the collaboration being proposed.
- A setting out of the proposed financial, HR and legal arrangements.
- A costed implementation plan.
- An identification of the benefits, risks, costs and dependencies associated with proposals.

Once completed, the full business case will be considered by the Shared Partnership Board. Should the Shared Partnership Board consider the proposal to be desirable, viable and feasible, it would recommend to and seek approval from both councils.

Each council would seek approval through each council's own decision-making governance arrangements. Proposals would only be implemented should both councils agree with the recommendations.

The process for investigating opportunities for collaboration





A phased approach to investigation is designed to identify and implement collaboration that is best placed to realise the intended benefits identified within section 8. The following lines of investigation are likely to be the main focus of the phased approach:

- Identifying long term strategic opportunities to shape policy / plans and inform regional and national thinking in areas of commonality (for example housing fit for the future, tackling fuel poverty in rural areas etc.).
- Reduced duplication and the ability to develop thematic leadership and share expertise across the partnership (for example joint responses to domestic abuse, Homes for Ukraine, cost of living).
- Shared leadership arrangements where appropriate (for example waste and environmental services, regulatory services).
- A joint approach to identifying, securing and investing external funding, including a default position that considers sub-regional working if appropriate (for example safer streets, homelessness).
- A creative and strategic partnership approach to service growth, rather than viewing services as 'a contract' (for example Lifeline digital transition / assistive technology growth').
- The ability for one council to provide the other with expertise to drive forward service improvement and growth (for example in relation to housing regulation, engaging with registered providers, housing development).
- A joint approach to commissioning and procurement (for example aligned approach to developing a leisure procurement strategy, shared leadership, knowledge and expertise transfer, peer review and critical friend functions).
- Shared / aligned procurement arrangements (for example the aligned approach to developing a leisure procurement strategy, MBC's Welland procurement service providing services to HDC, the potential to develop a joint car parking needs assessment).

Joint commissioning and shared procurement function





Joint commissioning

Through the proposed strategic partnership, both councils will have the opportunity to develop place based strategies and approaches to address shared challenges. During the development of these strategies, both councils will be responsible for assessing the needs of their own communities and businesses; the development of a shared strategy and action plan does create significant potential for a shared approach to commissioning and procurement.

A current example involves the preparations underway to procure a new leisure contract. Both councils are responsible for two leisure centres, with the same leisure operator currently appointed by both councils. Both contracts end in March 2024.

Until recently both councils were progressing with their own procurement preparations, designed to appoint a leisure operator from March 2024. Following discussions initiated through this process, both councils are now exploring the potential to align elements of the procurement preparation processes which has the potential to realise both efficiencies and financial savings.

Given the timescales required, it may not be possible to align leisure procurement processes, however the potential to have a single leisure operator in the future, would have the potential to deliver significant savings and efficiencies.

Shared procurement function

Welland Procurement is hosted by MBC and provides a procurement service to the public sector – managing procurements, managing risk and helping to deliver quality and value. An experienced team that manages procurements across all categories and values.

The service recognises the importance of high-quality procurement at a time when many public sector organisations find it hard to fund an in-house procurement resource. They provide support throughout the whole process.

Conversations are ongoing between both councils, with a view to HDC accessing Welland's procurement functions. Should HDC purchase Welland's procurement support, it would benefit from financial savings, the service's existing procurement expertise and the collective buying power of a number of councils, while also potentially increasing the opportunity for future joint commissioning and procurement exercises with other councils.

From MBC's perspective, HDC procuring support from Welland represents a service growth opportunity, while also allowing the service to realise efficiencies and increase productivity.

Example from elsewhere: A group of local authorities in Essex joined together to form a shared services hub for procurement thereby vastly reducing duplication of effort between member authorities and enabling procurement arrangements arrived at for one authority in the group to be made available to all other members -and to a wider base wherever possible. In addition, hub members have access to experienced, qualified procurement staff when needed. In the first year of operation the savings and income targets established for the hub were either all met or exceeded.

Intended benefits - commercial case (1)





		ership - demonstrable potential to nieve intended benefit	Do nothing - demonstrable potential to achieve intended benefit				
Intended benefit	Performance	Rationale	Performance	Rationale			
Increased purchasing power – improved value for money and the ability to shape, influence and support local/regional markets.	High	Significant potential for increased purchasing power through joint commissioning and procurement exercises, as demonstrated by the leisure operator example. The strategic partnership would create the framework and conditions for planned and sustained joint commissioning and procurement activity, with the developed of shared place based strategies providing the basis for joint commissioning across a range of service/outcome areas.	Medium	Both councils would be in a position to undertake joint commissioning and procurement (i.e. the leisure operator procurement and HDC joining Welland Procurement). This would however not be on a structured and scheduled basis. The ability of both councils to collectively shape and influence local markets would be limited when compared to a joint approach under a strategic partnership.			
Increased opportunities for job enrichment, development and progression.	High	Through the sharing of services, staff and skills, in addition to the service growth identified, significant opportunities exist for both councils to offer job enrichment, development and progression.	Low	Current arrangements and opportunities have resulted in services suffering from a lack of resilience; recent examples demonstrate how whole teams can be left severely understaffed should employees be recruited by neighbouring councils offering higher salaries and improved progression opportunities.			

Intended benefits - commercial case (2)

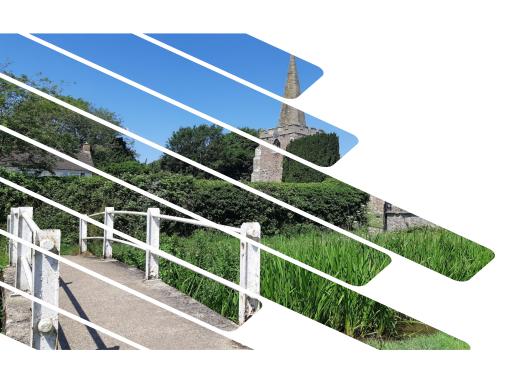




		ership - demonstrable potential to hieve intended benefit	Do nothing	othing - demonstrable potential to achieve intended benefit			
Intended benefit	Performance	Rationale	Performance	Rationale			
Improved recruitment and retention rates.	High	Retention - Proposals demonstrate increased opportunities for development and progression across a range of service areas, driven by sharing of services and expertise, service growth and increased productivity. Recruitment - By sharing a workforce strategy, both councils will be actively working together (and not competing against each other) across recruitment markets. The level of shared services being proposed indicate that both councils will be sharing the risk and cost of recruitment.	Low	Retention - Both councils currently experience challenges associated with staff retention. Currently a large proposition of HDC's leadership team is appointed on an interim basis, while MBC has experienced significant challenges associated with retaining staff appointed to specialised posts (housing, planning etc.). Recruitment – Without meaningful collaboration, both councils are likely to be in competition for high quality staff. While both councils are able to demonstrate development and progression routes, these are below those that would be available via a strategic partnership.			
Both councils being viewed as 'employers of choice'.	High	Clear potential to increase opportunities for job enrichment, development and progression. Significant opportunities to improve recruitment and retention rates.	Medium	Potential to increase opportunities for job enrichment, development and progression, however fewer opportunities will exist due to the lack of a shared workforce strategy and joint approach to recruitment and retention.			







11 Management case

Strategic partnership - senior leadership structure





The proposed initial structure has been designed to support the arrangements for the Shared CEO and Shared DCEO roles and responsibilities for the strategic partnership and to provide clarity and assurance for the individual sovereign councils. The proposed structure is necessary to ensure that staff within both sovereign councils have a clear understanding of their reporting lines.

The proposed structure creates a Shared CEO and two Shared DCEOs.

The proposed structure is the initial stage of structural change to support initial establishment of the strategic partnership, further structural changes are likely but will form part of the business case proposals to be considered by the Shared Stakeholder Group and the Shared Strategy Board. All further changes will require the approval of both sovereign councils as set out in the MoA.

The staff impacted by the proposed structural arrangements have been consulted in line with each of the sovereign councils HR procedures. Further consultation will be required with any officer impacted by future structural changes.

The MoA sets out the clear partnership governance arrangements which will be supported by the Shared Chief CEO, Deputy Chief Executives, Section 151 Officers and the Monitoring Officers.

The Shared CEO's main roles are as follows:

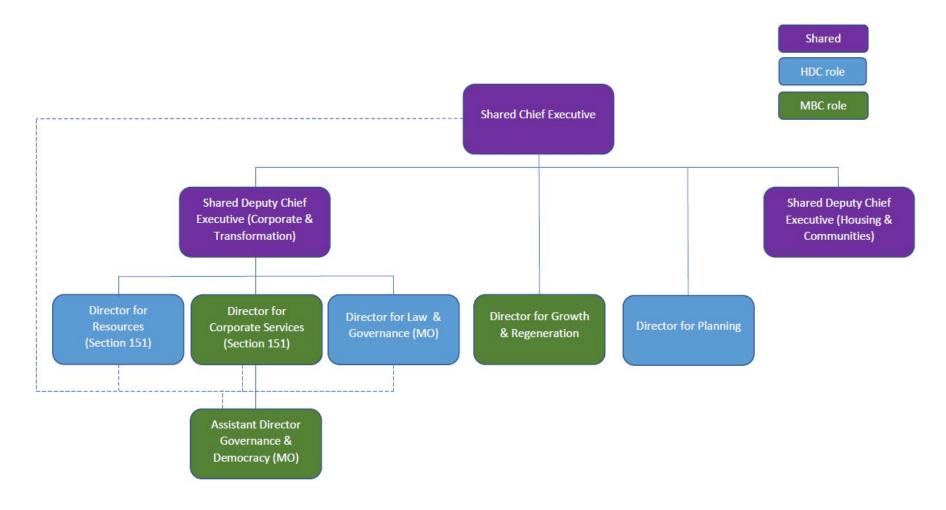
- To deliver the strategic aims, objectives and priorities for each sovereign council in line with the Corporate Strategies for each sovereign council.
- To have statutory responsibility as Head of Paid Service to ensure the effective strategic leadership of each sovereign council in accordance with the policy, budgetary, statutory, quality and value for money requirements of each sovereign council.
- To work in partnership with the two Leaders and other elected members to develop and lead the implementation of the intended benefits of the strategic partnership between HDC and MBC in accordance with the business case and MoA to deliver best value outcomes for the local residents and communities of Harborough and Melton.

Strategic partnership - senior leadership structure





The diagram below outlines the proposed initial senior leadership structure for the strategic partnership, specific to director and statutory officer levels. Statutory officers, Section 151(s) and MOs will continue to liaise directly with the Head of Paid Service (Shared CEO) on statutory matters, as they do currently

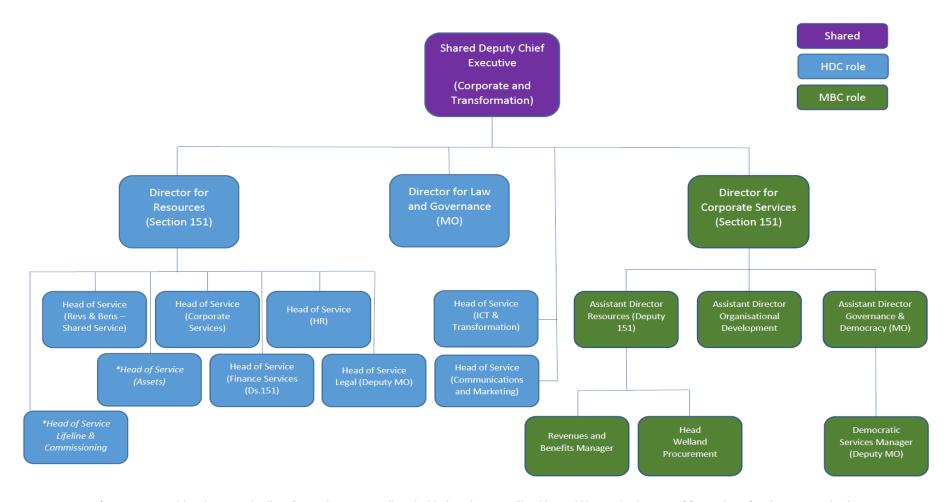


Strategic partnership - corporate and transformation





The diagram below outlines the proposed initial senior leadership structure for the strategic partnership, relating to the corporate and transformation functions. The Section 151 and MO will continue to have direct access to the Shared CEO for all statutory officer functions.



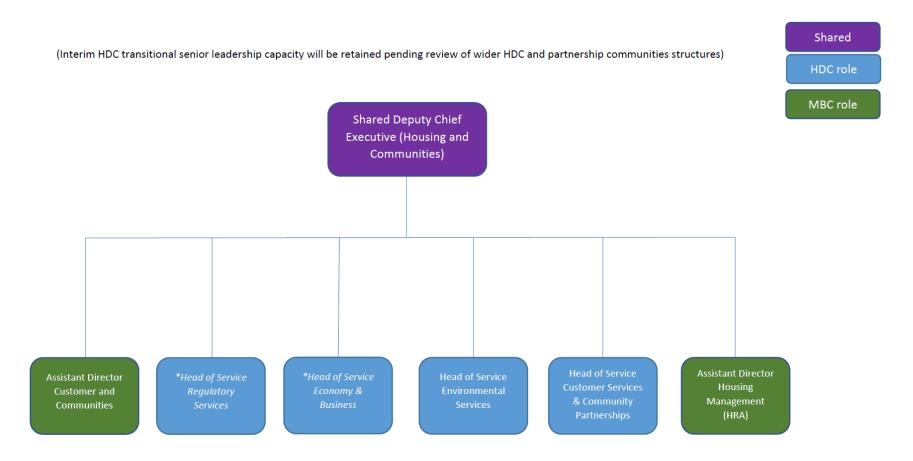
^{*}Denotes recognition that reporting lines for service area not aligned with the other council's. This would be resolved as part of first review of senior structure in Phase 1

Strategic partnership - housing and communities





The diagram below outlines the proposed initial senior leadership structure for the strategic partnership, relating to housing and communities functions.



^{*}Denotes recognition that reporting lines for service area not aligned with the other council's. This would be resolved as part of first review of senior structure in Phase 1.

Shared Chief Executive - overview of role





Specific Responsibilities (in relation to each sovereign council)

- To provide strategic leadership and management for the effective working on key strategic issues relating to service provision and to provide clear leadership and direction on the development and implementation of the councils' objectives.
- To drive service improvements and coordinate strategies to deliver results and key priorities ensuring a clear sense of direction and purpose.
- Lead and develop the councils' officers to ensure that financial and other resources are properly planned, managed and controlled efficiently to achieve the councils' aims and objectives.
- Ensure that the councils have effective governance and regulatory systems in place and adhered to which safeguard the legality, probity, integrity, proper public accountability of its decisionmaking processes.
- To be proactive in ensuring the councils take full advantage of income streams and/or cost reduction opportunities and grant regimes. To drive and encourage innovation to further enhance the councils business portfolio and non-governmental incomes.
- Develop, maintain and promote effective communications, liaison and partnership working throughout the councils at all levels, and encourage strong working relationships with residents and external stakeholders. Identify and develop opportunities for achieving the councils' objectives through partnership with other people, and organisations.

- Providing professional policy advice to all parties in the decisionmaking process in accordance with budgetary and statutory requirements.
- Promote a culture of excellence underpinned by performance management and continuous development. To positively motivate the workforce, encourage and facilitate innovation and new thinking. To encourage feedback and involvement to enhance the reputation of both councils as employers of choice.
- To manage the interface between Elected Members and Senior Officers promoting a positive and respectful relationship between Members and Officers.
- Ensure that the councils services are driven by quality and customer focus, determined by the needs of the people of Harborough and Melton. Make the best use of the councils organisational capability to deliver better services to residents and customers against changing demands.
- Represent the councils at local, regional and national level with key stakeholders and other bodies as appropriate.
- Support the statutory officers in the discharge of their responsibilities
- To serve and represent both councils equally and without bias
- To undertake any other duties commensurate with the role necessary for the safe and effective performance of the job. This job description may change along with changing objectives and priorities.

Deputy Chief Executives with thematic responsibilities - overview of roles





An overview of both roles is provided below:

HDC Deputy Chief Executive (Corporate and Transformation)

- To support the Shared CEO in setting the overall strategic direction of the councils and as a member of the Senior Leadership Team, work collaboratively providing leadership and supporting the corporate governance of the councils.
- To support the Shared CEO, the Leaders of both councils and elected members in defining and delivering the priorities, policies and plans for both councils.
- Overseeing the strategic and operational delivery of financial and corporate services and governance. Ensuring all services are peoplecentred, customer focussed and support and facilitate the councils' strategic objectives.
- To support the Shared CEO in partnership with the two Leaders and other elected members to develop and lead the implementation of the intended benefits of the strategic partnership between HDC and MBC in accordance with the business case and MoA to deliver best value outcomes for the local residents and communities of Harborough and Melton.
- To act as the operational lead for HDC in liaison with the Shared CEO to ensure day to day operational issues and opportunities are effectively co-ordinated within the sovereign council.

The HDC Deputy CEO will remain the operational lead for HDC, working with the Shared CEO to ensure the council fulfils all statutory obligations and delivers high performing services for the communities and businesses of Harborough.

MBC Deputy Chief Executive (Housing and Communities)

- To support the CEO in setting the overall strategic direction of the councils and as a member of the Senior Leadership Team, work collaboratively providing leadership and supporting the corporate governance of the councils.
- To support the Shared CEO, the Leaders of both councils and elected members in defining and delivering the priorities, policies and plans for both councils.
- To overseeing the strategic and operational delivery of communitiesbased services including housing and landlord functions. Ensuring all services are people-centred, customer focussed and support and facilitate the councils' strategic objectives.
- To support the Shared CEO in partnership with the two Leaders and other elected members to develop and lead the implementation of the intended benefits of the strategic partnership between HDC and MBC in accordance with the business case and MoA to deliver best value outcomes for the local residents and communities of Harborough and Melton.
- To act as the operational lead for MBC in liaison with the Shared CEO to ensure day to day operational issues and opportunities are effectively co-ordinated within the sovereign council.

The DCEO will remain the operational lead for MBC, working with the Shared CEO to ensure the council fulfils all statutory obligations and delivers high performing services for the communities and businesses of Melton.

Additional workforce considerations





Returning Officer - The role of Electoral Registration Officer and Returning Officer ('ERO') is a statutory function and personal appointment overseen by both Councils independently.

In view of the need for direct supervision of election processes simultaneously in both councils, it is proposed that this role should remain separate. No change is therefore proposed from existing arrangements. The Chief Executive of MBC (the Shared CEO of the strategic partnership) would remain the ERO and Returning Officer for Melton, and the substantive Deputy Chief Executive of HDC would remain the ERO and Returning Officer for Harborough. This arrangement can be kept under review as part of normal governance processes.

Director of Communities (HDC) - The current Director of Communities (HDC) has been appointed on an interim basis, with the term due to end in March 2023. Given that the Shared DCEO for MBC will hold thematic responsibility for communities (and housing), the intention is to delete the current Director of Communities role on 1st April 2023.

Given that the intention is to establish the strategic partnership in January 2023, the current Director of Communities (HDC) will provide the Shared DCEO with valuable capacity over the period January-March, to support the smooth transition to the new partnership structure. Following deletion of the Director of Communities post from the HDC establishment, it will be necessary to determine if some additional resource will be needed to support the operational delivery of communities focussed activity in HDC. If it is deemed that additional resource is needed, the annual saving from the deletion of this post will reduce the overall HDC saving.

Executive Support - There is a requirement to assess the need for and existing levels of capacity relating to executive support across the two councils. Appropriate levels of executive support will be required to ensure a smooth transition to the strategic partnership structure. An assessment of existing capacity and future requirements will be undertaken in January 2023.

Transformation support - Shared transformation capacity and expertise is required to ensure a smooth transition to the new arrangements, in addition to an ongoing requirement for transformational capacity as the partnership moves into the 'business as usual' stage.

Transformation requirements during the first year will likely focus on effective implementation of new arrangements; establishing the required governance structures, progressing with phase 1 investigations and undertaking an initial review (post local elections) and 12 month review. During year 2, the focus will turn to implementation of service level transformation and benefits realisation. Additionally, there will be a requirement for ongoing performance management, monitoring and evaluation of the programme and the impact that is being realised.

An assessment of existing capacity and future requirements will be undertaken in early 2023.

A phased approach to review, monitoring and evaluation





Phased approach to investigation and implementation of opportunities for collaboration

The creation of a formalised strategic partnership between both councils is designed to establish a framework and platform that enables both councils to improve service quality, resilience and efficiency, while also increasing the collective influence of both councils and their ability to improve outcomes for their communities and businesses.

Should the strategic partnership be established, the councils would undertake a phased approach to the investigation of opportunities for collaboration. The Shared Strategy Board and Strategic Partnership Board would work in partnership to identify and appraise opportunities for collaboration. Should investigations identify areas of potential collaboration that are considered mutually beneficial to both councils, the Joint Strategic Board would make recommendations to both councils, for the consideration by Portfolio Holders, Cabinet or the relevant committee as appropriate.

This phased approach to investigation would commence in 2023/24. Both councils have identified examples of where service collaboration is being actively considered currently; these opportunities (see pages 110 to 120) would be the first to be investigated through the phased approach being proposed.

Review process

Should the proposed strategic partnership be implemented, both councils would commit to regular reviews of the strategic partnership.

The first review milestone for the partnership would be in May / June 2023, where as part of the member induction process the councils (via the Shared Strategy Board and Strategic Partnership Programme Board) would present elected members with an initial update on strategic partnership performance, in terms of progress made, issues to be addressed and potential quick wins that could be implemented. The Shared Strategy Board will continue to maintain oversight and provide direction in terms of any further opportunities to be explored during this period. It will also be necessary to check and validate the arrangements with the new administrations in both councils after the election.

Following the end of the first year of the strategic partnership, the councils (via the Shared Strategy Board and Strategic Partnership Programme Board) would undertake a 12-month review of the strategic partnership, with both councils (Full Councils) being updated on progress, priorities, risks and dependencies in or around January / February 2024.

Additionally, in all following years, the councils (via the Shared Strategy Board and Strategic Partnership Programme Board) would undertake an annual review of the partnership to understand its effectiveness of current arrangements, including a review of key principles (as outlined within the MoA) and identifying future opportunities for further development.

Dispute resolution and exit arrangements





Dispute resolution

The MoA outlines dispute resolution arrangements (clause 8, Dispute Resolution). A summary of the proposed arrangements is provided below:

- Any dispute concerning the terms outlined within the MoA will be referred to the Shared Strategy Board for consideration. The Shared Strategy Board shall take all reasonable steps to conciliate and resolve such dispute or difference whether by negotiation, mediation or any other form of dispute resolution procedure (with a view to resolution by discussion and negotiation).
- In the event that a matter in dispute cannot be resolved by the Shared Strategy Board, the matter shall (unless the councils agree otherwise in writing) be referred to an arbitrator.
- An arbitrator will be appointed with the agreement of the councils. In the event that agreement cannot be reached, the President or other chief officer of the Chartered Institute of Arbitrators, or such other professional body appropriate to the matter in dispute (such body to be determined by the Shared CEO), shall be appointed. The costs of arbitration shall be borne equally by the councils unless agreed otherwise by the Councils.

Exit arrangements

The MoA outlines the necessary steps and processes that would be required should either council wish to terminate the strategic partnership, or a particular shared arrangement (i.e. a shared service). A summary of the necessary steps is provided below; full details are provided within the MoA (clause 6, Termination and Review): Either council may withdraw from either the strategic partnership in its entirety or a Service Level Agreement entered into by:

- Providing no less than 12 months written notice.
- Submitting a report (developed by the Shared CEO) to the Shared Strategy Board, setting out the implications of the withdrawal for the strategic partnership.
- Developing and agreeing a robust plan that details how an orderly withdrawal from the strategic partnership will be achieved, taking account of financial consequences, service delivery implications and implications for staff.
- Developing and agreeing an exit plan that outlines the allocation of resources, assets and staff, following appropriate consultation with staff and stakeholders.

There is also a provision for either Council to terminate the Partnership in whole or in past within 6 months of the agreement being signed.

In the event that staff in joint roles are required to return to their employing council, each employee will revert to their substantive post in the employing council as per the Section 113 arrangements, unless otherwise agreed. The employing council shall deal with any consequential changes to contract terms and conditions.

Summary roadmap





An operational implementation plan has been developed as part of the design of the strategic partnership proposition. A summary of the plan is provided below.







Mobilisation of the strategic partnership

Establishment of new arrangements, pending decision by both councils.

Phase 1 Jan-May 2023

Undertake and complete investigations relating to all proposed phase 1 collaborations.

Shared Strategy Board to consider all proposals and make recommendations to both councils.

Performance update -May-July 2023

Initial review of strategic partnership performance.



Phase 3 - Jan-Dec 2024

Undertake and complete investigations relating to all proposed phase 3 collaborations.

Shared Strategy Board to consider all proposals and make recommendations to both councils.



12 month review - Jan-Feb 2024

First annual review of strategic partnership presented to both Full Councils.



Phase 2 - May-Dec 2023

Undertake and complete investigations relating to all proposed phase 2 collaborations.

Shared Strategy Board to consider all proposals and make recommendations to both councils.

Risk register





A summary risk register is provided below, detailing the strategic risks and mitigations associated with the establishment of the strategic partnership. Both councils will hold and maintain a full risk register which will be managed as part of ongoing risk management arrangements.

Theme	Risk	Mitigation
	The failure to identify a clear shared vision, objectives, goals, and focus for the strategic partnership which lead to ineffective working, misunderstandings and disagreements.	To establish a shared vision for the strategic partnership through close working between Cabinets and senior leadership teams. To support this vision in the design principles of the business case and formalise through the Memorandum of Agreement. To ensure that the business case and Memorandum of Agreement are appropriately and effectively scrutinised and comments are considered by the Cabinet and Council.
Leadership and	The perceived imbalance or unfairness from one party about what they get or will get from any partnership collaboration. Perception that one council's priorities, size or influence are dominating to the others.	To communicate well and set clear expectations as a framework for the partnership. To ensure the Memorandum of Agreement defines a clear mechanism for the apportionment of costs and established a regular basis for reporting the progress of the strategic partnership to Council. To ensure the decisions associated with the strategic partnership remain the responsibility and authority of the individual sovereign councils and that this principle is embedded in the business case and the Memorandum of Agreement.
•	The strategic partnership would impact on sovereignty and identity leading to councillor mistrust of the partnership.	To ensure clear and agreed governance principles and processes for sovereign council decision making and scrutiny arrangements are embedded in the design principles of the business case and the governance arrangements within the Memorandum of Agreement. To ensure regular communication with councillors, parish councils, stakeholders and the public. To provide opportunity for learning from other council partnerships (officers and members).
	The perception that staff are not 'local' enough or connected to the community / that staff will be unable to understand the distinct needs of places (and places within places).	To ensure visibility with members and the community in both places, relevant to role. To understanding the distinct nature of place and provide for political led sovereign council decisions to support local outcomes. To identify areas of commonality and shared approaches to 'place'. To harness digital capabilities to ensure agile or remote working does not impact on service delivery or connection with members, staff, stakeholders or local communities.

Risk register





Theme	Risk	Mitigation
Capacity, Resources and	The failure to resource effectively any transitional and transformational arrangements, with officers overstretched leading to impacts on service delivery, and organisational effectiveness.	To resource the transitional and transformational programme in the same way that existing Council programmes are led, supported and delivered ensuring that the resourcing requirements is identified as part of the business case being recommended to the Shared Strategy Board and Shared Stakeholder Board as set out in the Memorandum of Agreement. Undertake review of existing capacity and capability and assess future requirements, as part of phase 1 investigations (transformation support and executive support).
Resilience	That existing projects and programmes may be delayed due to diversion of capacity to support the development, implementation and delivery of the strategic partnership.	The implementation and delivery of the strategic partnership will enable benefits to be achieved in a more effective and efficient way. Each sovereign council will be able to determine via their decision-making the appropriate timing for any new projects and programmes alongside their existing commitments, objectives and deliverables. The Shared Chief Executive and Shared Deputy Chief Executives will be responsible for ensuring the delivery of new opportunities, as identified in the business case, alongside the existing projects and programmes of each sovereign council.

Risk register





Theme	Risk	Mitigation
Financial	That savings cannot be made or realised, which undermines confidence in the partnership.	A robust mechanism for establishing the business cases will be established as part of the governance arrangements contained within the Memorandum of Agreement. The Shared Stakeholder Group will have oversight of the benefits programme of the strategic partnership, the Shared Strategy Board will ensure the strategic benefits of the partnership are being achieved. Individual sovereign councils will make the decisions on each opportunity which will be subject to the normal scrutiny processes. The Memorandum of Agreement establishes the basis of reporting the progress and success on the strategic partnership on an annual basis.
	That costs and savings are not apportioned fairly leading to breakdown in relationships and loss of trust.	The Memorandum of Agreement establishes a clear basis of costs apportionment for the strategic partnership which will form part of the recommendations to each sovereign council.
Workforce, Culture and Communicat ion with Staff	That poor or ineffective communication to staff leads to mistrust and demotivates staff.	Regular staff engagement sessions have been established across both sovereign councils. This will continue and include regular briefings, emails, and written updates. Joint staff working groups and staff champion groups will be established and staff engagement and communication will be built into the business case development timeline and implementation plans as part of the recommendations. Senior team (particularly those moving into shared roles) will introduce themselves to staff and be known to staff in both councils. A shared celebration of successes and achievements will established with an aim to build shared sense of pride in the strategic partnership for all staff.
External	That wider stakeholders (including other councils) do not understand the new arrangements or are not supportive.	A proactive engagement with partners is in place, and with key stakeholders including MPs. This includes communication during business case development phase and upon implementation. There is a commitment to communication and increased visibility of partnership achievements.
External	That existing partnerships may feel threatened and be undermined by the strategic partnership.	Each sovereign council's commitment to existing partnerships will be clear to those respective partners (such as Revenues and Benefits Partnership) to avoid perception that existing partnership arrangements will be undermined. Each sovereign council will commit to seek to avoid destabilising existing partnerships.







12
Findings and conclusions

Summary of findings





The business case has appraised the strategic partnership proposition and 'do nothing' alternative against the intended benefits identified by both councils. A summary of the performance of both options against the intended benefits is provided below:

Ñ		ategic pl dership		更		unities a sinesses	nd		Organisat effective	ional ness		Workfor	rce		Financial ı	resilienc	e
	Maximising our influence	Maximising our collective strengths	Futureproofing both councils '.	Inclusive growth, reduced deprivation & improved outcomes	Maximising external investment.	Maximising impact by jointly addressing shared challenges	Increased impact realised through collective campaigns	Increasing service resilience.	Improving organisational effectiveness	Accelerating the pace of progress & improvement	Job enrichment, development and progression	Improved recruitment and retention rates.	Both councils being viewed as 'employers of choice'.	Improved financial sustainability	Improved value for money	Increased purchasing power	A net financial benefit to the councils
Strategic partnership																	
Do nothing	•		•				•				•	•					•

Summary of findings





The analysis of the strategic partnership proposition has identified the following benefits that would be realised should the option be implemented. A summary of the benefits that would be realised by the strategic partnership (as opposed to remaining with current arrangements) is provided below:

Strategic place leadership

- A combined and louder voice that results in increased strategic influence, with the strategic partnership representing the 147th most populated and 27th largest geographical area.
- Single representation at local partnerships and forums and a single line of contact to Integrated Care Boards, Rural Partnership etc.
- Significant potential for a single place leadership function to respond to shared challenges.
- A new relationship and joint working culture across both councils that enables the ongoing investigation and implementation of shared arrangements.

Communities and businesses

- A joint approach to addressing the causes of deprivation and inequality, involving the sharing of expertise and resources, while possessing greater levels of strategic influence and the potential to attract greater levels of public and private investment.
- Shared strategies and joint approaches to campaigns, using the expertise and reach of both councils, is likely to realise a higher degree of effectiveness than a single council approach.

Organisational effectiveness

 A phased approach to investigation will facilitate the investigation of a range of service areas and management structures that improve sharing of resources, learning and good practice

- The investigation process will require the development of business cases that demonstrate how reforms will benefit residents and communities, demonstrating an attractive benefit cost ratio.
- The investigation process will identify opportunities to protect, maximise and share the assets of each council (expertise, best practice, systems and intelligence). A corporate commitment to moving at pace and realising the required level of impact would ensure the pace of reform is a priority, with appropriate monitoring and oversight arrangements in place to enable sound programme management, scrutiny and oversight.

Workforce

- Through the sharing of services, staff and skills, in addition to the service growth identified, significant opportunities exist for both councils to offer job enrichment, development and progression opportunities.
- By sharing a workforce strategy, both councils will be actively working together (rather than competing against one another) to recruit the best applicants.

Financial resilience

- Each council is forecasted to realise savings over a 3 year period, representing an improvement in their respective financial positions.
- However the value of savings forecasted by both councils is insufficient to offset the full unfunded deficit being forecast by both councils.
- In addition to the financial savings forecasted, additional nonmonetised economic benefits would be realised (increased productivity, service improvement and resilience, potential for service growth).