

Appendix 2 Strategic fit evaluation for potential strategic partners

Effective strategic partnerships are underpinned by shared goals which benefit both the organisations themselves and the communities they serve.

Key criteria against which any case for a strategic partnership should be evaluated include the following:

- Ability to create strategic alignment on key issues
- Ability to increase strategic influence within the county, regionally and nationally.
- Ability to establish shared workstreams which improve outcomes and reduce duplication
- Ability to protect or improve service quality – reduce duplication and address skills and capacity gaps.
- Ability to improve financial sustainability and resilience
- Ability to increase purchasing power and where appropriate, operate at a larger scale
- Ability to attract and retain high quality officers – job enrichment, growth and progression.

Strategic alignment

In considering the opportunities the following represent opportunities for strategic collaboration

- Opportunity to create a stronger, unified voice
- Ability to jointly develop a coherent plan for strategic which could improve access to external funding – Levelling Up/ UKSPF
- Supporting each other to manage strategic growth challenges
- Establish joint economic growth and regeneration strategies
- Increase influence on the wider system e.g. health and well-being.

There would also be opportunities to collaborate on work to address issues which affect both places:

- Digital connectivity
- Transport connectivity
- Access to services
- Housing affordability
- Ageing population and living well and staying healthy
- Young people – retaining and attracting to rural market town communities – develop a joint Young People’s Strategy
- Sustainability of village life
- Low wage, low skills economy base
- Access to and influence over Further Education provision
- Pockets of deprivation, masked by wider affluence.

- Overcoming issues with social mobility
- Climate change
- Safer communities – rural crime / absence of youth provision – diversionary activities – tackling enviro-crime like fly-tipping.
- Community cohesion – tolerance and inclusivity.

Initial assessment criteria for strategic partners

1 - Strategic fit

How well does the partner align?

How similar are the potential partners?
Can differences be overcome/ moderated?

Additional assessment criteria:

Aligned objectives: Are we working towards similar aims and objectives?

Leadership: Would the leadership be supportive of working with this local authority?

Culture: Is there a fit in terms of organisational values?

Performance and quality: Will this partnership add value i.e. provide shared learning, additional skills or capacity?

Assessment metrics	Harborough	Potential partner
Population	95,500	
Area	591.8km ² / 230 sq miles	
Sparsity/Rurality		
Net revenue budget pa	13,290,831 (2020/21)	
Overall Budgets inc HRAs etc		
Establishment FTE	XXX	

Administration	Conservative majority	
Number of councillors	34	
Wards Parishes	25	
Governance (leader & executive or committee system)	Leader/ Executive	
Election cycle (by thirds or whole council elections)	Every 4 years (last 2019)	

2 - Feasibility

Can we make this happen?

Trust: Trust is key to making the partnership work particularly at member level who will play a key role in driving this forward.

Key questions:

- ▼ Is there an existing relationship between us which provides a strong foundation for joint working?
- ▼ If not, can a relationship be established within reasonable timescales?

Geography: Most partnerships share a boarder as this supports joint working both practically but also as partners are more likely to have established relationships.

Key questions:

- ▼ Do we share a boarder or operate in close proximity?
- ▼ If not, how will implementation be managed and ongoing delivery?

Ease of implementation: Similarities in terms of how the organisation operates can support joint working particularly when looking at shared services.

Key questions:

- ▼ Do we share ICT systems?
- ▼ Do we have contracts with the same services providers in place which might provide opportunities for quick wins?
- ▼ Do our staff already work together and are they employed on similar terms and conditions?

Timing and capacity: Joint working requires ongoing commitment from both sides and the resource to make it happen.

Key questions:

- ▼ Is this the right time us to engage in joint working (e.g. not in the middle of a substantial change process/ external review)?
- ▼ Do we both have the resource to commit to support the process?

3 - Viability

Is the partnership financially viable?

Cost of implementation:

- ▼ Is this reasonable and can it be met in the short term?
- ▼ How will this be shared between the organisations?
- ▼ Will implementation costs be shared proportionately (basis to be determined) or is one partner willing to pay more to achieve successful integration.

Savings:

- ▼ Do the potential savings offset the implementation costs and how quickly can these be delivered?
- ▼ Will savings be able to contribute to budgetary savings for both organisations?
- ▼ Will savings be delivered in the long term to make joint working sustainable going forward?

Quick wins:

- ▼ Are there obvious roles/ services that could be shared and can this happen with reasonable pace?

Risks and Issues of a shared approach

Leadership and Governance

Risk	Mitigation
Failure to identify clear shared objectives, goals, and focus which lead to ineffective working, misunderstandings and disagreements.	Build shared understanding and vision through close working between Cabinets. Formalise through both Councils which shared success measures and expectations. Establish shared scrutiny role

Perceived imbalance or unfairness from one party about what they get or will get from any collaboration. Perception that one council's priorities are dominating	Important to communicate well and blend teams across both councils so there is no perception of one council taking over the other
Risk that the partnership would impact on sovereignty and identity leading to councillor mistrust of the partnership	Ensure clear and agreed governance principles and processes and how Councillors will be engaged in decision making and scrutiny and, if desired, shared committees. Regular, ongoing communication with councillors, parish councils and the public.
Perception that those in the shared team are not 'local' enough or connected to the community	Visibility with members and the community in both places would be key
Risk that officers are perceived to be less available, leading to delays and dissatisfaction from councillors who feel less able to perform their roles	Clear expectations to be agreed, acknowledging that shared staff serving both councils may sometimes not be available. Requirements to ensure build resilience across officer tiers so critical ward member role is prioritised and that those in shared roles are effectively supported.
Future changes in political leadership may impact on relationships and desire to continue with any shared arrangements	Ensure all councillors are engaged through the transition process, with openness among all participants. Recognise the potential impact of the local elections in May 2023 and undertake a review of the shared arrangements after the election to enable new administrations to confirm their position.

Capacity and Resources

Risk	Mitigation
Instability created within both organisations due to uncertainty, and knowledgeable and experienced officers leave as a consequence	Ensure strategic purpose for the change is clear, positive and aspirational. Focus on quick wins to build confidence – i.e. sharing posts which are vacant to reduce anxiety. Ensure where officers do leave, effective hand-over processes are in place.
Failure to resource effectively any transitional arrangements, with officers over-stretched leading to impacts on service delivery, and organisational effectiveness.	The resources required to manage the change should not be under-estimated and investment should be built into earlier phases to ensure sufficient capacity. Timetable and pace of delivery should be agreed by both councils.

	Create a shared change programme management team at the outset.
Existing projects and programmes may be delayed due to diversion of capacity to support the strategic partnership	Resource the transition effectively, with investment in the partnership to avoid current work programmes being impacted. Maintain regular programme management updates to manage expectations and advise of any issues at the earliest opportunity.
Working across two councils increases travel time and reduces productivity and impacts on the environment	Adoption of hybrid working, video conferencing and remote working by both councils will help mitigate this. Explore the potential for some shared office space.
Contract management in the short-term will be duplicated.	Over the transition period contracts will be novated to deliver to one authority rather than 2.

Financial

Risk	Mitigation
There is a risk that expected savings cannot be made or realised and this undermines confidence in the partnership	Effective and regular communication will be required and clarity of expectations throughout
A risk that costs and savings are not apportioned fairly leading to breakdown in relationships and loss of trust	Need to establish a transparent and shared mechanism for apportionment of costs and savings.
Transition costs become prohibitively high and threaten the viability of the collaboration	Establish a clear mechanism for including transition costs in any business cases and be clear on the potential rates of return which may accrue. Focus on those areas seen as quick wins, which can deliver early benefits

Culture

Risk	Mitigation
Potential differences in culture across both organisations may hinder collaboration, leading to lack of prioritisation for the changes required, resulting in delays and inefficiency	Clear direction from senior political and officer leadership would be required. A Change Strategy would need to be established, including expected behaviour framework. Investment in engagement, communication and joint working would need to be sustained.
Potential lack of trust from those from the 'other' council resulting in failure to	Clear direction from senior political and officer leadership would be required. Articulation of positive vision and

share key information and disagreements	demonstration of quick wins to build confidence. Harmonise performance management approaches.
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External

Risk	Mitigation
Wider stakeholders do not understand the new arrangements or are not supportive	Proactive engagement with partners, and key stakeholders including MPs
Residents or businesses become confused between the two councils' services.	Clear branding strategy required to reflect the Councils' agreed priorities and approach. Importance of supporting ward councillors in their role.
Unexpected major events lead to diversion of attention which delays transition to any new arrangements	Business Continuity Plans will need to be in place and where appropriate these can be harmonised. Where events occur, clear communication will be required to manage expectations if delivery objectives need to be reset.
Government restarts discussions about local government reorganisation which could impact on the partnership arrangements	This remains a possibility irrespective of any partnership, however the existence of the partnership would strengthen the councils' ability to influence such a debate in future. Regular communication on the partnership and its impact with MPs and DHLUC would be required.