

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting22nd November 2007

1. Title of Item/Report

Stockton Darlington Partnership

2. Record of the Decision

Members were provided with a report that presented Members with the detailed business case for the development of a Partnership between Stockton and Darlington Councils.

Members were reminded that following earlier work four strands had been identified which it was felt would provide the most benefit and least challenge in terms of implementation:-

1. Transactional HR
2. Transactional Finance
3. Design and Print
4. Information and Communication Technology

The full business case had been prepared incorporating individual business cases for each strand. A copy of the full document was available from the Members library and the intranet. An Executive Summary had also been prepared and this was provided to Members. Members noted the key benefits identified

- Efficiency savings of £7.4 million over 10 years. This would be shared on a ratio of 61.8% to Stockton and 38.2% to Darlington to reflect the current baseline position.
- The Partnership would deliver a transformed ICT service in both organisations. The current services were identified by a consultant's report as being "utility" based and complex, with fragmented ICT investment and a lack of a long term application or architecture. The proposed service re-invests some of the efficiency gains into a strategic function which would both drive architectural change and further efficiencies and; influence, support and enable all Council services in achieving the modernisation and efficiency agenda as outlined in the recently approved ICT Strategy.
- All strands would benefit from increased capacity, resilience and

improved customer service.

- The transactional finance and HR strands would benefit from investment in system and business development teams. These teams would rationalise processes and procedures as well as improve functionality and the availability of management information to service users to enable improvements in service delivery.
 - The Partnership would include the completion of a new ICT room, particularly important given that Stockton needs to re-locate this facility irrespective of the Partnership. This would be based in Darlington Town Hall.
- The potential for further efficiency gains in the future via expansion with other Councils or extension into other service areas.

Members were provided with further details of the Business Case relating to Governance Arrangements, Legal Heads of Terms, Accommodation and Staffing Issues.

With regard to Staffing Issues Members noted that Trade Unions had been consulted extensively and details of the Trade Unions responses were provided. It was noted that Stockton would be the employing authority and staff from Darlington would be transferred under TUPE protection.

Members noted that the next stages of the project would be the development of a detailed implementation plan. This would include:

- The development of a legal agreement, including exit strategies
- Recruitment and selection of staff to the Partnership
- Managing the change and supporting staff through it
- Developing a positive culture and ensuring effective training and development is in place
- Development of performance management framework
- Organisation of accommodation and movement of staff
- Development of infrastructure and technology
- Continued engagement of staff and customers.

Members noted that whilst working with officers from Darlington Borough Council it became clear that there was an opportunity for further joint working around risk management and insurance. As a result a feasibility study had been commissioned to evaluate the potential to achieve efficiency savings through joint procurement of risk management and insurance services. In effect this would be via consortia purchasing which was the only viable and realistic structure to deliver benefits without the need for investment and financial risk.

Findings from the study to date indicate that there appear to be no significant barriers to proceeding with the consortia solution presently under consideration, and there is a realistic expectation that this approach would achieve worthwhile long-term savings as well as a range of non-financial benefits.

RESOLVED that

1. approval be given for the implementation of a public/public Partnership between Stockton Borough Council and Darlington Borough Council to provide joint services in:

- ICT
- Transactional Finance
- Transactional HR and Payroll
- Design and Print

2. approval is given for the Governance framework and for Stockton Borough Council to accept the delegation of the above functions from Darlington and undertake the role of employing Authority involving the transfer of staff from Darlington under TUPE protection.

3. the Corporate Director of Resources be delegated responsibility in consultation with Director of Law and Democracy and Cabinet Member to approve the Legal Agreement and the final financial position following ongoing discussions with Unions.

4. the potential for consortia purchasing of risk management and insurance services with Darlington, be noted.

3. Reasons for the Decision

Gershon, the CPA process, and continued financial pressures are driving local authorities into considering alternative methods of service delivery. In response a project had been undertaken looking into the possibility of Stockton and Darlington Councils delivering a number of joint services. The report sought approval to proceed to implementation stage.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

By no later than midnight on Friday 30th November 2007

Proper Officer
26 November 2007