

JOINT COMMITTEE

AGENDA FOR MEETING TO BE HELD ON

**MONDAY 1 DECEMBER 6.00 P.M.
IN COMMITTEE ROOM 1 AT
WYRE BOROUGH COUNCIL, CIVIC OFFICES
POULTON-LE-FYLDE**

(Sandwiches will be provided from 5.30 pm).

1. **MEMBERSHIP**

Wyre: The Leader (Councillor Russell Forsyth) and two other Cabinet Members to be nominated by the Leader for each meeting. (The Deputy Leader and Corporate Resources Portfolio Holder (Cllr Alan Vincent) and the Living Places Portfolio Holder (Cllr Vivien Taylor) will be the nominated representatives for this meeting).

Fylde: The Leader (Councillor John Coombes), the Environmental Wellbeing Portfolio Holder (Councillor Tim Ashton) and the Corporate Resources and Finance Portfolio Holder (Councillor Roger Small).

2. **APOLOGIES FOR ABSENCE**

3. **MINUTES**

Minutes of the last meeting of the Committee held on 5 November, 2007 attached

4. **PROGRESS TOWARDS DEVELOPING SHARED SERVICES FOR WASTE MANAGEMENT, STREET CLEANSING AND ASSOCIATED SERVICES**

Report of the Consultant, Policy and Performance, Wyre Borough Council attached

5. **DATE OF NEXT MEETING**

To be arranged.

Roy Saunders
Democratic Services & Scrutiny Manager
Wyre Borough Council

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Report of:	Meeting	Date	Item No.
Roger Beer, Consultant. Policy and Improvement	Fylde & Wyre Informal Joint Committee	1 December 2008	4

**Progress towards developing shared services for waste management, street
cleansing and associated services**

1. Purpose of Report

- 1.1 To consider the current position towards developing Fylde and Wyre Shared Waste Management, Street Cleansing and Associated Services.

2. Outcomes

- 2.1 This report provides the initial framework and outline timetable for the establishment of Fylde and Wyre Shared Services for waste management, street cleansing and associated services. This has been based on previous information presented to the Fylde and Wyre Informal Joint Committee, work undertaken by the Collaborative Working Group and meetings of the Chief Executives and Leaders of both authorities. At all times this recognises that the key priority is our preparedness for the introduction of new collection methods to comply with the Lancashire Waste Management Strategy, Public Finance Initiative (PFI) requirements that apply to Wyre Borough Council from February 2010 and Fylde Borough Council from April 2010. The outcomes include:
- Establishment of Joint Structure, with one authority as employing authority.
 - The termination of the existing contractual arrangements.
 - Cost Allocation based on open book accounting.
 - Implementation of governance arrangements including the establishment of a formal Joint Committee and Joint Scrutiny.
 - Future service delivery options considered and VFM review undertaken
 - Market Testing to be undertaken.
 - Re - establish Shared Services Project Board and Team
 - Consider requirement for additional resources/capacity
 - Consideration of the role of the Joint Task Group.

Recommendations

- 3.1 That the content of the report are considered and discussed.

4. Background

4.1 The last Fylde & Wyre Informal Joint Committee was held on 5 November 2007. In relation to Waste Management and Street Cleansing six papers were considered they were:

- Minutes of Project Board held on 25 September
- Why are we doing this and what would it look like?
- Employment and Governance Arrangements
- Human Resource Implications
- Baseline Budget – Joint Committee Report
- Implications for Existing Services and Operational Delivery.

These papers still provide the principles and main framework for establishing Shared Services. However, experience, changing circumstances and considerations mean that some detail contained within them will need to be changed. Some of the changes are included within this report.

4.2 The development of Shared Services has been delayed so that detailed, robust financial information could be made available. This is now just available and will be included within further reports. In the interim a Collaborative Working Group was established.

4.3 On 24 June 2008 at a meeting of Fylde and Wyre Chief Executives and Deputy Chief Executives a project brief for the Collaborative Working Group was developed, as:

- Review the scope of the current contract: evaluate impacts of either sticking with the existing contract or moving to a partnership agreement; review terms such as inputs/outputs/outcomes; and potential to move to open book accounts.
- Analysis and projection of service development requirements/ opportunities and pressures.
- Future management of quality control and satisfaction levels.

4.4 At the initial meeting, on 14 July, 2008 the Collaborative Working Group Project Team expanded on the project brief and identified the following specific issues to be considered:

- Evaluation of key financial risks – overall service costs; additional properties costs; additional costs such as fuel, boxes and bins; settlement of micro chip costs; shared service changes and development opportunities and risks; and alternative solutions.
- Service changes and developments – overall service improvements; bulky waste; trade waste; Public Finance Initiative (PFI); cardboard; food waste; black sacks in Fleetwood; co-mingling dry re-cyclates; development of new rounds; street cleansing improvements; the development of a joint information and performance monitoring suite; and learning from customers.

- Transport and vehicles – feed in the details of Kendric Ash Transport and Procurement Review.

A report was to be prepared to identify the possible options and the preferred way of moving forward.

4.5 The Collaborative Working Group met weekly and also sought to improve day – to – day operational improvements. Most notably the Improvement Programme for the black sack collection.

4.6. A detailed report was presented to the Leaders and Chief Executives of each authority on 7 November 2008. At that meeting the way forward was agreed as:

- Ending the current contractual arrangement
- Merging our two workforces (the operational and client functions)
- Concentrating on how we redesign our collection arrangements for the waste treatment centre currently under construction at Hillhouse that opens in February 2010 (for Fylde the requirement is April 2010).
- Operating an “open- book” accounting system
- Market testing the redesigned operation to make sure we’re giving value for money.

This information has been communicated to the staff of both authorities.

4.7 The Leaders and Chief Executives subsequently attended the next Collaborative Working Group on 18 November and agreed in principle to the Project Scope for the implementation of Shared Services - see Appendix A.

5. Key Issues and Proposals

5.1 At the last meeting of the Fylde and Wyre Informal Joint Committee, 5 November 2007, it was considered that Wyre Borough Council would be the employing authority (a requirement to satisfy EU procurement legislation). However, this would require the bulk of operational staff to be transferred to Wyre. On reflection transferring the existing client and associated staff from Wyre to Fylde would be more practical. In essence Fylde, as the employing authority, would be providing a managed human relations service to the Shared Service. As the reporting mechanism would be to the formal Joint Committee. Staff would be employees of the Shared Service reporting to the Joint Committee. The location of staff either at Wyre or Fylde will need to be determined.

5.2 Establishing the Joint Structure, by April 2009, will require formal approval by Wyre Borough Council of the transfer of their staff to the employing authority by late January/early February 2009. This should allow sufficient time for consultation. Also this will depend on the nature of the appointments such as whether posts are to be ring - fenced or not. If recruitment is to be from outside the authorities it is unlikely this deadline can be reached. As the decision is already “in-principle” there could be the opportunity to establish Interim posts.

- 5.3** The existing contractual arrangement will be terminated and open book accounting will be employed. This should definitely be in place for the financial year 2009/10. Consideration of the remainder of and the current financial year 2008/09 is to be undertaken. The allocation of costs required for open book accounting will require considerable transparency, expertise and capacity across both councils.
- 5.4** The governance arrangements will need to be verified through independent legal advice. The formal Joint Committee will consist of all Cabinet Members from both authorities. The establishment of a Joint Scrutiny Committee is also favoured.
- 5.5** The services included within the scope, Appendix A, are more restricted than those originally set out in “Why are we doing this and what will it look like?” Shared Services will concentrate more on the core activities of waste collection, street cleansing and associated activities such as public convenience provision and community dog warden service.

As the large bulk of transport and fleet maintenance costs are associated with these services this has been included in what maybe the first tranche of shared services.

At the last Informal Joint Committee, 5 November 2007 the expanded shared service had been called Community Services. This now clashes with other services conducted within Fylde Borough Council. So this name is being reconsidered, Environmental Services Directorate has been suggested.

- 5.6** Consideration will need to be given to the support services required for the Shared Services. This was partly set out in the paper “Implications for Existing Services and Operational Delivery” presented to the Informal Joint Committee on the 5 November 2007. In particular the role of each councils contact centre needs to be determined. Some work is in progress improving the processes and preparing for the new Customer Relationship Management (CRM) system at Wyre Borough Council. This work will be harmonised across both councils. A joint Service Charter and Performance Monitoring system will also be developed.

Further work will be required by the Project Team to determine the provision of other support services such as legal, finance and ICT.

- 5.7** It is recognised both authorities may not have sufficient resources/capacity to complete this project in the timescales envisaged. In particular there is a requirement for financial resources to develop the business cases and open book accounting methodology.

Also, a request is being made to Team Lancashire Shared Services Board, on 14 December 2008 for capacity in relation to project support, management appraisals and business case development.

- 5.8** The Shared Services Project Team is not meeting – the Collaborative Working Group has undertaken this current work. It is proposed that the Shared Services Project Team be reconvened to see this project through:

Project Sponsors:

- Cllr John Coombes (Leader FBC)
- Cllr Russell Forsyth (Leader WBC)
- Phillip Woodward (Chief Exec. FBC)
- Jim Corry (Chief Exec. WBC)

Project Team Members:

Project Co-ordinator: Roger Beer

Strategic/ Operational: Rob Posner and Jamie Dixon

Legal: Ian Curtis

Human Resources: Stuart Hampson

Finance: To be determined

The project Team will be supplemented by other officers from both authorities when their expertise is required,

- 5.9** The top priority is preparedness for the Lancashire Waste Management Strategy PFI arrangements in February 2010 (Wyre) and April 2010 (Fylde). To this end it is important that the key actions set out in Appendix A are achieved on time, otherwise the achievement of the PFI deadlines are put into jeopardy.

Up until then some soft market testing can be taking place to confirm that Value for Money (VFM) is being obtained. More rigorous market testing can then be applied once all the PFI arrangements are in place.

- 5.9** The Project Team will consider the best locations for Depots and the composition of the vehicle fleet to provide the most effective and efficient service.

- 5.10** Early in 2007, the Informal Joint Committee proposed that there be a Joint Waste Review Task Group set up to report to the Joint Committee. The Task Group comprised of two councillors from Wyre and Fylde. In May 2008 they reviewed progress in improvements in the delivery or specified aspects of the contract namely: missed bins; internal communication; repositioning bins; clearing up spillages; staffing arrangements; side waste collections; Christmas collections; fly-tipping; assisted collections; and street cleansing.

The Task Group had planned to carry out a further review of progress in November/December but this has been keep “on hold” until now, as awaiting further developments in discussions about the contract.

The Task Group have requested that the Informal Joint Committee provides clear guidance about the future role of the Joint Task Group.

IMPLICATIONS	
Finance	Not applicable for this report
Legal	Not applicable for this report
Community Safety	Not applicable for this report
Equality and Diversity	Not applicable for this report
Sustainability	Not applicable for this report
Health and Safety	Not applicable for this report
Risk Management	Not applicable for this report
Asset Management	Not applicable for this report

Report Author	Telephone No.	Email	Date
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List of Background Papers:		
Name of Document	Date	Where available for inspection
Minutes of Project Board held on 25 September	5/11/2007	Informal Joint Committee Agenda
Why are we doing this and what would it look like?	5/11/2007	Informal Joint Committee Agenda
Employment and Governance Arrangements	5/11/2007	Informal Joint Committee Agenda
Human Resource Implications	5/11/2007	Informal Joint Committee Agenda
Baseline Budget – Joint Committee Report	5/11/2007	Informal Joint Committee Agenda
Implications for Existing Services and Operational Delivery.	5/11/2007	Informal Joint Committee Agenda

LIST OF APPENDICES

Appendix A – Wyre and Fylde Joint Community Services Project Scope

comm/f&wjc/reports/011208/04rb

**WYRE AND FYLDE
JOINT COMMUNITY SERVICES PROJECT SCOPE**

Sponsors

- Cllr John Coombes (Leader FBC)
- Cllr Russell Forsyth (Leader WBC)
- Phillip Woodward (Chief Exec. FBC)
- Jim Corry (Chief Exec. WBC)

Key outcomes

1. Joint staff structure under one council effective from April 2009.
2. Cost allocation based upon open book accounting from 2009-10.
3. Essential service changes in place to meet the requirements of the Lancashire PFI by February 2010 (Wyre) and April 2010 (Fylde).
4. Future service delivery options considered and VFM review undertaken.
5. Market test completed (dependent on above).

Scope

Services included:

- Waste collection and recycling.
- Street & beach cleansing.
- Transport and fleet management.
- Public convenience provision.
- Community dog warden service.
- Waste policy & development.
- Performance management (WasteDataFlow, BVPI monitoring).
- Waste awareness, education and communication.
- Enforcement (litter, waste collection, abandoned cars).
- Commercial waste.

(Includes all staff both operational and client side)

Key actions (next 6 months)

	<u>Deadline</u>
1. Report to Joint Committee	Nov 08
2. Complete joint staff structure	Dec 08
3. Cost and risk allocation	Feb 09
4. Develop joint governance arrangements	Feb 09
5. Recruitment / redeployment of staff to new structure	Mar 09
6. Embedding of new structure, service and policy alignment	Apr 09

JOINT COMMITTEE

Minutes of the meeting of the Joint Fylde and Wyre Committee held on Monday 5th November 2007 at the Civic Centre, Poulton-le-Fylde.

PRESENT:

From Wyre:

Members: Councillors Russell Forsyth (Leader) (in the Chair), Alan Vincent (Deputy Leader and Corporate Resources Portfolio Holder) and Councillor Mrs V. Taylor (Living Places Portfolio Holder).

Other Councillors: Councillors David Bannister, Lynne Bowen (Living Healthily Portfolio Holder), Roger Brooks, Graham Cocker (Living Safely Portfolio Holder), Elizabeth Collinson, May Gandhi, Ramesh Gandhi, Peter Hawley (Living Economy Portfolio Holder) Jim Lawrenson (Living Community Portfolio Holder), Gordon McCann Paul Moon, and Mike Sanderson.

Officers: Mr Jim Corry (Managing Director), Mr. Barry Parsonage (Executive Director), Mr Roger Beer (Policy Consultant), Mr. Rob. Posner (Head of Neighbourhood Services), Mr. Tom Pridmore (Head of Leisure, Cultural and Tourist Services) Grant Sellars (Business Development Consultant and Waterfront Manager) and Mr Roy Saunders (Democratic Services and Scrutiny Manager).

From Fylde:

Members: Councillors John Coombes (Leader), Tim Ashton (Street Scene Portfolio Holder) and Paul Rigby (Finance and Efficiency Portfolio Holder)

Officers: Mr. Philip Woodward (Chief Executive), Mr Dave Joy, (Deputy Chief Executive), Mr Ian Curtiss (Legal Services Officer), Mr. David Jenkinson (Executive Manager – Street Scene) and Mr. Paul Norris (Executive Manager – Community and Cultural Services).

Others: Four members of the public and a representative of the local press were also present.

1. MINUTES.

The minutes of the meeting of the Joint Committee held on 30 July 2007 were confirmed as a correct record.

2. JOINT SERVICES: STREET SCENE

Dave Joy submitted the minutes of the Street Scene Project Board meeting held on 25 September 2007. He said that the Project Team and the Project Board had so far been working on a broad brief for the development of shared street scene services. The Project Board was now seeking further guidance from this Joint Committee to enable it to focus on a number of more specific issues to bring shared services to fruition. The issues considered by the Project Board and on which further guidance was now sought were as follows.

(a) “Why are we doing this and what will it look like”

Dave Joy submitted a report of the street scene services project team.

Dave Joy said that the fundamental aim of the discussions on shared services was to enable both councils to provide better services at the same cost or the same services at a lower cost. He said that the inclusion of grounds maintenance services in the street scene “package” would enable a shared service to be developed without any financial disadvantage to Fylde which might otherwise occur if the existing formal contract for Waste Management services is developed into a ‘negotiated partnership’ arrangement.

David Jenkinson stated, in response to a question from Councillor Moon, that Fylde’s vehicle maintenance team would have the capacity to provide vehicle maintenance support to the proposed shared service.

David Jenkinson also informed the committee, in response to a further question from Councillor Moon, that the directors of the holding company referred to in the report (established as a future potential vehicle for joint working) were currently three named Executive Managers from Fylde - Ian Curtis, Brian White and himself. He said that this was a “shell” company which was not currently operating and would not operate until Members had given the necessary approvals.

Roger Beer stated, in response to a question from Councillor Brooks about a realistic estimate of the potential efficiency savings to be achieved by the development of shared services, that a team of accountants from both councils was currently undertaking a detailed analysis of current costs, which would enable a better judgement to be made about the potential for future savings. He expected the costings to be available in 2 or 3 weeks.

Councillor Coombes pointed out that total spending by both councils on Street Scene and Cultural Services was in the region of £12m to £15m per annum. If efficiency savings in the region of 10% could ultimately be achieved, it was apparent that there could be a

significant financial impact.

It was agreed :-

- (1) That the report be noted.
- (2) That, from now on, the name “community services” be used instead of street scene services to include the service areas detailed in the report.
- (3) That the grounds maintenance service be included within the timescale of the Community Services review as the first tranche of the Leisure, Cultural and Tourist services.

(b) Employment and Governance Arrangements

Dave Joy introduced a report prepared by Ian Curtis (Legal Services Officer Fylde B.C.) on behalf of the Street Scene Project Team. He emphasised that no definite commitment was intended to be made to specific governance arrangements at this stage. Guidance was being sought from the Joint Committee on the parameters within which the Project Board could continue its deliberations.

Ian Curtis acknowledged, in response to a comment from Councillor Brooks, that there would need to be processes within the structural and governance arrangements to enable any possible future conflicts, including potential difference in budget priorities to be addressed. The purpose of the final paragraph of the report had been to identify the need for further discussions on that issue.

Barry Parsonage informed the Committee, in response to a question from Councillor Moon about the proposed number of joint Overview and Scrutiny committees, that the proposal from the Project Board meeting on 31 October 2007 (to be reported later in this meeting) had been that there should be one Project Board leading into one Joint Committee and possibly one Joint Scrutiny Committee. Some concerns were expressed by the Members of the Joint Committee and by other Councillors present that under such an arrangement too much responsibility would be concentrated amongst a small number of Councillors.

Councillor Forsyth said that he disagreed with a suggestion from Councillor Brooks that a Joint Overview and Scrutiny Committee should be established sooner than currently envisaged so that joint Scrutiny working could be established before the joint services were operating.

It was agreed:- That officers be asked to consider further the issues identified in the report (in particular, the potential impact of establishing a large joint “community services” operation on the

central services of each Council) and to work up more specific proposals noting that members of the Joint Committee favoured currently a structure including the following elements:

- 3 project teams;
- 1 project board;
- separate joint executive committee's for the two main services;
- separate joint scrutiny committee's for the two main services, possibly with 6 members from each council.

(c) Human Resources Implications

Barry Parsonage introduced a report prepared by Stuart Hampson (Wyre's Human Resources Advisor). He said that this Committee's support was being sought for the general approach set out, prior to consultations being undertaken with employees.

It was agreed:-

1. That the report be noted.
2. That a project plan be developed to address the issues raised in the report.

(d) Base Line Budget

Barry Parsonage introduced a report prepared by Roger Beer (Policy and Improvement Consultant at Wyre B.C.). He said that, as previously mentioned in this meeting, a group of officers was currently looking in detail at the breakdown of costs of current services and some of the figures quoted in the report submitted had already changed. He said that he would circulate a revised schedule of costs with the minutes of this meeting.

He said that, on the basis that the projected start date for various elements of the shared "community services" was September, 2008 he hoped that it would be possible for both Councils to include in their respective budgets for 2008/09 estimates of savings to be achieved in the second part of that year.

It was agreed:- That the position be noted.

(e) Implications for Existing Services

Barry Parsonage introduced a report prepared by Roger Beer (Policy and Improvement Consultant Wyre B.C.). He said that there was clearly an integral link between the proposed shared services and the current support services for those areas of activity. More work needed to be done on this aspect and it was proposed that another joint project team be established for that purpose.

It was agreed:- That a joint project team be established to consider and submit a report to the joint committee on all of the issues associated with this matter.

(f) Street Scene Project Board, 31 October 2007

Barry Parsonage made a verbal report to the Committee on the outcome of the Street Scene Project Board meeting held on 31 October 2007. He mentioned the following significant issues.

Ashdell Nursery

The Project Board had concluded that this was primarily an issue for Wyre Borough Council and that any review of its efficiency and effectiveness would be the responsibility of Wyre.

Impact on Support Services

The Project Board had agreed to recommend that a separate Project Team should be established to look at this issue.

Single Project Board

The Project Board agreed to recommend the use of one single Project Board to receive, and feed into the Joint Committee, the reports from the existing two Project Teams and the proposed Project Team for Support Services.

Accountancy Input

The Project Board had acknowledged that there would need to be a significant input from both councils and had agreed that an accountant from each council be nominated to advise the project teams as necessary.

Cultural Services

The Project Board had received an update from Tom Pridmore, Head of Leisure, Cultural and Tourist Services, Wyre Borough Council. A definition of parks and open spaces had been produced and it was noted that as a recent market testing of the management of swimming facilities in Fylde there had been a recent recommendation from a Fylde Scrutiny Committee that their in-house operation be retained.

(It was noted at the Joint Committee that Fylde coast YMCA – the organisation which currently managed all Wyre BC leisure facilities - had been a tenderer for the operation of the Fylde Borough swimming facilities and had expressed a keen interest in developing a partnership agreement with both councils.)

Project Plan

It has been agreed to establish a rolling project plan with detailed work schedules and targets for the forthcoming three months and more indicative information for a longer period.

(i) Next Meeting

It has been agreed that the next meeting of the Project Board would be held in the first week of December.

The Joint Committee noted the position.

3. JOINT SERVICES: LEISURE AND CULTURAL SERVICES

Dave Joy submitted the minutes of the first meeting of the Leisure and Cultural Services Project Steering Group held on 16 October 2007. He also introduced a report prepared by Tom Pridmore (Head of Leisure Cultural & Tourist Services Wyre B.C.) and Paul Norris (Cultural Services Business Unit Manager Fylde B.C.).

It was agreed:-

1. That the recommendation of the Project Board to develop a shared leisure and cultural service between the two councils be supported.

4. FYLDE COAST MULTI AREA AGREEMENT: PROGRESS

Phil Woodward (Chief Executive Fylde B.C) informed the Joint Committee of the current position on the developments of a Fylde Coast Multi Area Agreement (MAA). He said that the external consultants appointed by Blackpool, Fylde and Wyre Councils and funded by the North West Improvement Network, had submitted an interim report following a number of thematic workshops which had been held to identify joint priorities. A report on this first stage of the process would be submitted to the Cabinets of both Fylde and Wyre Councils in the near future. The issues would also be discussed at an informal meeting of members of all three Cabinets to be held on 28 November. A final report was due to be submitted by the consultants in March 2008.

Councillors Coombes and Forsyth both stressed the importance of this issue and the exciting potential to improve the infrastructure, the availability of jobs, and housing and to improve tourism and leisure facilities. They both indicated that progress reports would be submitted to their respective full Council meetings.

It was agreed:- That the position be noted.

5. WASTE MANAGEMENT PERFORMANCE – JOINT SCRUTINY REVIEW:

PROGRESS

Councillor David Bannister (Wyre B.C., Chairman of the Joint Overview and Scrutiny Task Group) submitted a report. He outlined the main findings of the Task Group.

David Jenkinson gave an assurance that in conjunction with Rob Posner, he would ensure that all the operational issues identified by the Task Group, including problems with the repositioning of bins, would be addressed by senior managers and that, where necessary, improvements would be made.

It was agreed:

1. That the Joint Task Group be thanked for the extensive and detailed scrutiny work that had been carried out.
2. That the issues identified by the Task Group, as set out in section 5 of the report be noted.
3. That the assurance given by David Jenkinson to address each of the issues set out in section 5 of the report be welcomed.
4. That the Task Group be asked to review performance and the effectiveness of any changes introduced as a result of this report, in six months time.

6. Date of Next Meeting

It was agreed that a further meeting of the Joint Committee be held at Fylde Borough Council in approximately 3 months, on a date to be agreed by the Chief Executive of Fylde and the Managing Director of Wyre.

The meeting started at 6.00 p.m. and finished at 7.37 p.m.

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