

BABERGH DISTRICT COUNCIL

FROM: Joint Member Integration and
Merger Review Board and Chief
Executive

REPORT NUMBER: **K13**

TO: STRATEGY COMMITTEE

DATE OF MEETING: 13 May 2010

**REPORT OF THE JOINT MEMBER INTEGRATION AND MERGER REVIEW
BOARD HELD ON 13 APRIL 2010 AND ON POSSIBLE INTEGRATION OF LEGAL
SERVICES TEAMS**

1. PURPOSE OF REPORT

- 1.1 This report provides details of the outcome of the second meeting of the Joint Member Integration and Merger Review Board which was held on 13 April 2010.
- 1.2 An update is also provided on progress towards achieving possible integration of the two Legal teams and Monitoring Officer function which, if implemented, would achieve financial savings and increase the overall resilience of these services for both Councils.

2. RECOMMENDATIONS

2.1 That the recommendations of the Joint Board

- (a) to accelerate the development and examination of the business case for constitutional merger (i.e. the dissolution of the two current councils and the creation of a new single council), and
- (b) to convene a joint work shop for all Members of both Councils at the earliest possible opportunity

be endorsed

2.2 That, subject to the views of the Joint Board on a possible integration of Legal teams and Monitoring Officer functions, the intention

- (a) to commence formal consultation with affected staff and Unions representing staff of both Councils, and
- (b) to formally report any proposals to a future meeting of this Committee

be noted

The Committee is able to resolve these matters.

3. **FINANCIAL IMPLICATIONS**

- 3.1 There are none arising directly from this report. External funding of £90,000 from Improvement East has now been confirmed to facilitate this review, subject to agreement on any split between capital and revenue funds.
- 3.2 The option to integrate the two Legal and Monitoring Officer teams would yield some financial savings, still to be finally determined.
- 3.3 One of the core objectives of this review is to yield longer term financial savings for both Councils.

4. **RISK MANAGEMENT**

This report is closely linked with all of Babergh Council's Significant Business Risks. Please see Paper J223 reported to Strategy Committee on 8 April 2010 and Annual Council on 20 April 2010.

5. **KEY INFORMATION**

- 5.1 At its meeting on 13 April 2010, the Joint Member Board was advised that the two Councils' respective Strategy and Executive Committees had agreed all of the recommendations of the first Joint Board meeting held on 4 March 2010 (as reported in Paper J223 to this Committee on 8 April 2010), with the exception of a word change by Mid Suffolk's Executive Committee in relation to Recommendation 2.11 in Paper J223.
- 5.2 The change of wording approved by Mid Suffolk's Executive Committee related to the concept of a constitutional merger between the two Councils. The wording "supported in principle" was amended to "investigated".
- 5.3 Babergh's Annual Council meeting held on 20 April 2010 agreed the wording as originally drafted. Mid Suffolk's Full Council will consider its Executive Committee's recommendations on 20 May 2010.
- 5.4 The Joint Board Members of both Councils fully acknowledged that no decision could or would be made by either Council prior to completion of the business case analysis. The change of wording did not, therefore, undermine the core intention that constitutional merger be seriously investigated as part of this review.
- 5.5 It was agreed that the business case for constitutional merger needed to be developed as an equal priority alongside the business case for managerial and operational integration. This would enable as early a decision as possible to be made on the overall nature and extent of any possible integration/merger proposals.
- 5.6 The Joint Board therefore wanted the constitutional merger work stream to be accelerated as part of the overall Project Plan, and acknowledged that the arrangements for Member involvement and input into this work stream would need early development and agreement.
- 5.7 Board Members recognised the need to ensure that all Members of both Councils have a full understanding of the possible pros and cons of both managerial and operational integration and constitutional merger before any binding decisions are taken. To this end, it was agreed that, initially, a joint

work shop for all Members be held as soon as practicable – probably in late May or early June.

- 5.8 In relation to managerial and operational integration, the Board was advised that a number of officer work streams had been set up to look at possible service configurations and to advise on the possible implications of integration, both on a service by service basis and from an overall corporate perspective for both Councils.
- 5.9 It was noted that some services may be in a position to integrate earlier than the target date of April 2011, particularly if the business case for their integration were not dependent upon full integration of all services taking place. An update on one such option is outlined further at paragraphs 5.11 to 5.13 below.
- 5.10 The Board discussed Babergh's intention to undertake public consultation on a possible change to its current streamlined committee arrangements from May 2011 whilst Mid Suffolk was unlikely to undertake a similar exercise. The Board recognised that it was in the interests of both Councils to ensure that their respective constitutions maintained sufficient similarity to support joint decision-making during the period of integration/merger review. It was therefore agreed that there would be close communication during the period of Babergh's own constitutional review. The Board acknowledged that should a single new council ultimately replace the two existing councils, the new Council would have to adopt one of two possible forms of executive decision-making, and it would not have the option to adopt any form of streamlined committee arrangements.
- 5.11 Since the last Joint Board meeting, work has been progressing to develop the business case for a possible integration of the two Legal teams and Monitoring Officer functions. This review has been accelerated in the light of the imminent retirement of Mid Suffolk's Monitoring Officer. A proposal is currently being discussed that would see the two Legal teams integrated into a single team, achieving both financial savings and improving resilience in the service to both Councils.
- 5.12 This would necessitate the sharing of roles and the possible relocation of staff. This proposal has been discussed informally with potentially affected staff, but formal consultation with them and with the trades unions at both Councils would need to be undertaken before any final decision is made.
- 5.13 Progress in developing this proposal will be reported to the Joint Board at its next meeting on 11 May, and any update on this matter will be reported verbally at this meeting of the Strategy Committee.

6. **APPENDICES**

None.

7. **BACKGROUND PAPERS REFERRED TO:**

Notes of the Joint Member Board Meeting 13 April 2010.

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