
Report To:	Inverclyde Council	Date:	29 September 2016
Report By:	Head of Legal & Property Services	Report No:	GM/LP/121/16
Contact Officer:	Gerard Malone	Contact No:	01475 712710
Subject:	Shared Services Review		

1.0 PURPOSE

1.1 This report seeks the Council's approval of the Minute of Agreement which is required to establish the governance structure of the Joint Committee and to allow the sharing of relevant services among participating Councils as detailed service specifications and business cases progress.

2.0 SUMMARY

2.1 The Council at its meeting of 30 June 2016 approved the establishment of a Shared Services Joint Committee with partner Councils; remitted it to the Chief Executive, in conjunction with colleagues within East Dunbartonshire and West Dunbartonshire Councils, to finalise the detailed Minute of Agreement for the establishment of the Joint Committee, for consideration and approval at a future meeting of the Council; and agreed that support be given to the outline timetable set out in the report.

2.2 Attached at Appendix 1 is the Minute of Agreement as agreed by the Heads of Legal of each of the Councils.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Council:-

- (i) approves the Joint Committee Minute of Agreement;
- (ii) appoints four Elected Members to sit on the Joint Committee;
- (iii) agrees that East Dunbartonshire Council be the first chair authority;
- (iv) agrees that West Dunbartonshire Council be the first vice-chair authority; and
- (v) notes that the proposed date and place of the first meeting of the Joint Committee will be on a date in late October/early November, to be arranged in consultation with the nominated representatives, within East Dunbartonshire Council Offices, Kirkintilloch.

Gerard Malone
Head of Legal & Property Services

4.0 BACKGROUND

- 4.1 The Council at its meeting of 30 June 2016 approved the establishment of a Shared Services Joint Committee with partner Councils; remitted it to the Chief Executive, in conjunction with colleagues within East Dunbartonshire and West Dunbartonshire Councils, to finalise the detailed Minute of Agreement for the establishment of the Joint Committee, for consideration and approval at a future meeting of the Council; and agreed that support be given to the outline table set out in the report.
- 4.2 Attached at Appendix 1, is the Minute of Agreement as agreed by the Heads of Legal of each of the Councils.

5.0 JOINT COMMITTEE MINUTE OF AGREEMENT

- 5.1 The Agreement will commence on 1 November 2016 and continue until a sufficient number of Councils give not less than 18 months' notice to withdraw. Detailed withdrawal provisions will be included within any service agreements.
- 5.2 The Joint Committee will be administered by the authority from whom the chair is appointed, with meetings being held at least twice a year within the chair authority's premises.
- 5.3 The positions of chair and vice-chair will be held for two years. The positions will rotate between the authorities with the chair being from the authority that previously held the vice-chair position. It was recommended by the leaders of the three Councils that East Dunbartonshire Council be the first chair authority; West Dunbartonshire Council be the first vice-chair authority; and nominations are to be agreed by each Council prior to the first Joint Committee meeting.
- 5.4 Each Authority will be represented by four Elected Members with no substitutes permitted. The appointment of the four Members should reflect, in terms of the Council's policy, the political balance of the Council. In this instance, this would be achieved by the appointment of two Members from the Administration and two from the Minority Groups.
- 5.5 The quorum will be two thirds of the total members, with a minimum of one member from each Council.
- 5.6 A communications strategy is to be agreed among the Councils.

6.0 IMPLICATIONS

Finance

- 6.1 There are no financial and procurement implications in approving the governance structure. As stated above in Section 5, the model of shared services chosen may have future financial and procurement implications.

Financial Implications:

One Off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

Legal

6.2 The arrangements for the Joint Committee provide a suitable governance model.

Human Resources

6.3 The approval of the Joint Committee governance structure will have no direct workforce implications at this time, other than an administrative workload for the chair authority. The shared service model may have future workforce implications going forward.

Equalities

6.4 There are no significant issues identified in relation to equality impact at this time.

Repopulation

6.5 The approval of the governance structure for the Joint Committee will help improve economic growth and employability and the resilience of the relevant services.

7.0 CONSULTATIONS

7.1 The CMT approves this report.

8.0 BACKGROUND PAPERS

8.1 None.

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MINUTE OF AGREEMENT

among

(One) **EAST DUNBARTONSHIRE COUNCIL** constituted in terms of the Local Government etc. (Scotland) Act 1994 and having its principal office at Southbank Marina, 12 Strathkelvin Place, Kirkintilloch, Glasgow G66 1TJ;

(Two) **INVERCLYDE COUNCIL** constituted in terms of the Local Government etc. (Scotland) Act 1994 and having its principal office at Municipal Buildings, Clyde Square, Greenock, PA15 1LY; and,

(Three) **WEST DUNBARTONSHIRE COUNCIL**, constituted in terms of the Local Government etc. (Scotland) Act 1994 and having its principal office at Garshake Road, Dumbarton, G82 3PU.

(hereinafter referred to as “the parties”)

WHEREAS the purpose of this Agreement is to make arrangements for the joint discharge of statutory functions in terms of the Local Government (Scotland) Act 1973 (“the 1973 Act”) and of the Local Government in Scotland Act 2003 (“the 2003 Act”) and the establishing of a Joint Committee to oversee the delivery of Local Authority Services to the communities of East Dunbartonshire, Inverclyde and West Dunbartonshire Councils, AND WHEREAS the parties hereto have agreed to delegate the discharge of various functions jointly, in terms of section 57 (1) (b) of the 1973 Act NOW THEREFORE the parties agree as follows:

Definitions

In this Agreement unless the context otherwise requires the following expressions shall have the following meanings:-

“Administrative Support” means committee and legal advice and support;

“Agreement” means this Minute of Agreement;

“Authority” means each of the parties to the Agreement;

“Clerk” means the Head of Legal, or other nominated officer, of the Secretariat Authority;

“Secretariat Authority” means the Authority which chairs the Joint Committee and provides administrative services in support of the Joint Committee’s operation and decision making;

“Service Agreement” means the deed(s) which govern and regulate the specific services and functions to be delegated to the Joint Committee;

“Service Lead” means the principal Authority (if any) for a particular Shared Service, as defined in the relevant Service Agreement;

“Shared Service” means the specific services and functions to be delegated to the Joint Committee.

1. Commencement and Duration

This Agreement shall commence with effect from 1 November 2016 and shall thereafter subsist for such period as the parties (or at least two of them) shall continue to participate in a Shared Service, subject to the provisions of Clause 12 (Withdrawal from Agreement). Each Service Agreement shall make provision for the disaggregation of the Shared Service to which it relates in the event of withdrawal by any of the parties from the Shared Service, including provision for liability of the withdrawing party for the costs associated with such withdrawal.

2. Constitution and Remit

There is hereby constituted a Joint Committee to be known as the East Dunbartonshire, Inverclyde and West Dunbartonshire Councils’ Shared Service Joint Committee, (to be hereinafter referred to as “the Joint Committee”). The administration of the Joint Committee shall be carried out by the Secretariat Authority. The Shared Services shall be determined by the parties from time to time and set out in Service Agreements to follow hereon. The Joint Committee is empowered by each of the parties hereto:

- 2.1 To manage and monitor spend within the budget approved by the parties hereto in relation to each Shared Service subject always to the terms of the relative Service Agreement;
- 2.2 To develop and implement a strategic policy framework for the operation of each Shared Service to receive, scrutinise and approve service plans for implementation of the policies and priorities for service delivery relative to each Shared Service;
- 2.3 To co-ordinate, guide, monitor and review the performance and discharge of Shared Services by officers of the relevant Authorities or Service Lead as the case may be;
- 2.4 To take decisions on a service by service basis in accordance with the terms of the relevant Service Agreements, provided that any associated spend must be offset by additional income or savings from elsewhere within the budget for that Shared Service;
- 2.5 To consider and approve an annual Service Plan in respect of each Shared Service including the Budget as provided for in Clause 9.2 hereof for submission to each Authority for agreement.

3. Membership

- 3.1 Each Authority shall be represented by four Elected Members on the Joint Committee.
- 3.2 Each of the Elected Members so appointed shall, subject as hereinafter provided, continue in office until they are re-appointed or replaced by the appointing Authority, subject always to s57(5) and s59 of the 1973 Act. No substitutes shall be permitted.
- 3.3 A member of the Joint Committee shall cease to be a member when he or she ceases to be an Elected Member of the appointing Authority or on the appointment by that Authority of another Elected Member in his or her place, whichever shall first occur.

4. Quorum

- 4.1 The quorum of the Joint Committee shall be two thirds of the total members with at least one Elected Member representing each Authority. If the two thirds figure does not represent a whole number, the two thirds figure shall be rounded up to the nearest whole number.
- 4.2 Provision shall be made in the Standing Orders whereby Elected Members may only vote in relation to the specific Shared Services relative to their Authority.

5. Standing Orders

The Joint Committee shall adopt its own Standing Orders. In the event of any inconsistency between the Standing Orders and this Agreement the provisions of this Agreement shall prevail.

6. Meetings

- 6.1 The Joint Committee shall meet at least twice in each financial year or more often as is required to conduct its business. The meetings of the Joint Committee shall be convened by the Secretariat Authority and meetings will be similarly located within the Secretariat Authority in ordinary course.
- 6.2 A meeting of the Joint Committee shall be open to the public except to the extent the public are excluded (whether during the whole or part of the proceedings) under Section 50A of the Local Government (Scotland) Act 1973.

7. Chair and Vice Chair

- 7.1 The positions of Chair and Vice Chair shall be elected at the first meeting of the Joint Committee.
- 7.2 The position of Chair shall be held for a period of two years by an Elected Member from each Authority in turn, with each subsequent Chair being the previous Vice Chair and taking up his or her position on the second anniversary of the first meeting. The appointment of the Chair of the Joint Committee shall be undertaken by the Authority from whose Elected Members the Chair shall be selected.

- 7.3 The position of Vice Chair shall be held for a period of two years by an Elected Member of the next sitting Secretariat Authority, with each subsequent Vice Chair taking up his or her position on the second anniversary of the first meeting. The appointment of the Vice Chair of the Joint Committee shall be undertaken by the Authority from whose Elected Members the Vice Chair shall be selected.
- 7.4 In the event of the Chair being absent from a meeting, the Vice Chair shall assume the Chair for that meeting.

8. Administration

The Administrative Support to the Joint Committee in any year shall be undertaken by the Secretariat Authority. The cost of providing such Administrative Support shall be borne by the Secretariat Authority providing such Administrative Support in that year.

9. Finance

- 9.1 Prior to the commencement of any Service Agreement the Joint Committee shall receive from each Authority, confirmation of resources to be allocated by that Authority for the provision of the functions identified as being the Shared Service as defined in the relevant Service Agreement.
- 9.2 In each subsequent year and in respect of each Shared Service, the relevant Authorities or Service Lead, as the case may be, shall prepare a Service Plan for the following three financial years setting out the level of service to be provided to the participating Authorities, in accordance with the Service Agreement for that Shared Service, and the budget required to fulfil that plan. Such Service Plan shall be submitted for approval to the Joint Committee not later than First November in each year. The Joint Committee shall thereafter make recommendation to each of the parties hereto for formal approval of the Service Plan including the relevant budget.
- 9.3 The proportion of the cost of delivery of any Shared Service to be met by each Authority in respect of the Shared Service shall be as set out in the Service Agreement relating to that Shared Service.
- 9.4 Each participating Authority using best endeavours agrees to approve and confirm to the Joint Committee the level of funding to be allocated by that Authority for the following financial year for each Shared Service by no later than 28 February in each year.
- 9.5 Annual accounts for each of the Shared Services shall be prepared by the respective Authorities or Service Lead, as the case may be, and submitted to the Joint Committee.
- 9.6 Appropriate arrangements for external audit shall be put in place.

10. Scrutiny

Scrutiny in respect of the Joint Committee will be undertaken by each Authority in accordance with its own scrutiny processes, as set out within the respective Corporate Governance arrangements.

11. Variation of Agreement

Any alteration of the terms of this Agreement shall be by way of a further Minute of Agreement signed by all the parties hereto.

12. Withdrawal from Agreement/Disaggregation

12.1 If any Authority wishes to withdraw from this Agreement it may do so with effect from the end of the Joint Committee's next financial year subject to giving to the Clerk not less than 18 months' notice in writing to that effect.

12.2 An Authority may withdraw from a Shared Service subject to complying with the provisions in the relevant Service Agreement relating thereto, including meeting any costs, including severance costs, associated with such withdrawal.

13. Publicity

A communications strategy shall be agreed among the parties and no press release or public intimation shall be made by an Authority unless it is in accordance with the agreed communications strategy, or otherwise agreed in advance by all of the parties.

14. New Parties

Where a local authority which is not a party to this Agreement requests to become a member of the Joint Committee and utilise some or all of the Shared Services, then the consent of each Authority, acting reasonably, is required. Where each Authority consents to such a request then in accordance with Clause 11, the parties shall vary the terms of this Agreement and any relevant Service Agreement amending that which has to be amended to include the new Authority: IN WITNESS WHEREOF