



Report to the Joint Overview and Scrutiny Committee

Meeting Date – 26 February 2024

Key Decision – No

Public/Private – Public

Portfolio – Cllr Markus Campbell Savours – Cumberland
Cllr Jonathan Brook - Westmorland and Furness

Directorate – Business, Transformation and Change, Cumberland
Assistant Chief Executive, Westmorland and Furness

Lead Officer – Jo Atkinson – Director of Business, Transformation and Change,
Cumberland Council
Alison Hatcher, Assistant Chief Executive, Westmorland and Furness
Council

Title – Long-term Hosted Service Review Process

Summary:

The report provides details regarding the review process for long-term hosted services and an overview of ongoing activity in relation to assessing and reviewing performance and future arrangements.

Recommendations:

It is recommended that Members of the Joint Overview and Scrutiny Committee propose to the Joint Executive Committee (JEC) that:

- An annual review of the long-term hosted services is undertaken based on performance against indicators agreed by the JEC.

- Following the annual review, Senior Responsible Owners make recommendations on the findings via the Joint Officer Board (JOB) and JEC, and outline changes to the disaggregation schedule or updates to the Service Strategies.

1. Background

- 1.1. An overview of hosted services was reported to the Joint Overview and Scrutiny Committee on 30 October 2023. The paper provided the rationale for long-term hosted services between Westmorland and Furness and Cumberland Councils; an overview of the 12-month review process and details of how this will be reported to the Joint Officer Board and Joint Executive Committee, and an overview of the termination provisions. Members of the committee requested further details regarding the review process for long-term hosted services, including consideration of the cost effectiveness of disaggregation.

Review process

- 1.2. Under 2.6 of the Inter Authority Agreement (IAA) either authority may request a review of any Functions and Services or Hosted Contracts. In addition, the specific Service Strategies provide for a periodical review. The Service Strategies are schedules that detail the agreed approach to delivering the hosted functions described within the IAA in terms of service provision, performance monitoring and costs. Details of service specific review provisions are set out in the table below.

Hosted service	Host authority	Review Process
Active Cumbria	Cumberland	The Service Strategy provides for a 12-month review process. The first review will be required shortly after 1 April 2024. The review process will be as outlined in paragraph 1.3 below.
Active Travel	Cumberland	
Adoption	Cumberland	
Adult Learning	Westmorland and Furness	
Archive Service	Cumberland	
Emergency Planning and Resilience	Westmorland and Furness	
Fostering	Cumberland	
Residential and Edge of Care Homes	Cumberland	

Waste Disposal	Cumberland	The Project Manager is required to present a draft Performance and Improvement Plan to the Joint Executive Committee for the following Contract Year by no later than 30 June in the previous Contract Year.
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- 1.3. Paragraph 2.6 of the IAA provides for the review of each Service Strategy to be facilitated by the Joint Officer Board (JOB) and the Joint Executive Committee (JEC). Periodical reviews will be carried out by the Lead Officers for the Hosted Service in the two authorities. They will report the outcome of that review into the Joint Disaggregation Board. If changes to the Service Strategy are recommended, the Joint Disaggregation Board will provide a report to the JOB. If members of the JOB are in agreement with the proposals, a report detailing the recommendations will be considered by the JEC. Any changes to Service Strategies require the approval of the JEC.

Reviews of Long-term Hosted Services

- 1.4. The table in paragraph 1.2 sets out that the majority of long-term hosted services are subject to a 12-month review process that will be required shortly after 1 April 2024, following the first year of operation. As described in paragraph 1.3, the periodic reviews will be undertaken by the Lead Officers for the Hosted services in both authorities, with outcomes reported to the Joint Disaggregation Board, and if changes are recommended, to the JOB and JEC as necessary. This process will consider the factors affecting the long-term hosting arrangements such as funding agreements, contractual arrangements, and service provision requirements from central Government, in addition to service capacity, impact on service delivery and costs of disaggregation.
- 1.5. Under the JEC terms of Reference, an Annual Report will be provided to each authority on the performance, finances, proposed service improvements and any arrangements for disaggregation. The Annual Report will include the outcome of the review of long-term hosted services.
- 1.6. The Waste IAA specifies provisions for the review of this service. The Project Manager is required to present a draft Performance and Improvement Plan to the JEC. A review of the Waste IAA and Waste Disposal Contract Performance is currently being undertaken.
- 1.7. In addition to the specified review process within each Service Strategy, reviews of services have been undertaken where changes have been identified or specific requests have been made by the JEC.

- 1.8. At the meeting of 19 September 2023, the JEC requested further information and an options appraisal in relation to disaggregation implications for the Adult Learning hosted service. A paper was submitted to the JEC on 13 November 2023 detailing the original options appraisal used throughout Local Government Reorganisation and a further analysis of the implications of disaggregation of the service for consideration. Members reviewed the information presented and commented that the cost of disaggregation would be disproportionate both in terms of finances and bureaucracy. The JEC agreed that the Adult Learning Service should remain as a single hosted service.
- 1.9. The Emergency Planning and Resilience hosted service has been reviewed as part of the development of the Stronger Local Resilience Forum (LRF) Pilot Programme. Local LRFs are the arrangements through which the Councils demonstrate their duty to cooperate, by working together with partners as required by the Civil Contingencies Act. In the Act the boundary for the LRF is directed as being co-terminus with that of the Police Authority. On 13 November 2023, the JEC agreed that the LRF Pilot will report to the JEC to provide democratic accountability of the activity, as the Joint Emergency Management and Resilience Team (JEMR) is a hosted service under the IAA.
- 1.10. The Terms of Reference set out within the IAA state that the JEC is responsible for reviewing the performance of hosted services against budget and indicators for service quality, performance and efficiency. At its meeting on 13 November 2023 the JEC agreed to formally monitor performance of long-term hosted services disaggregating after April 2025, this includes all long-term hosted services set out in paragraph 1.2.
- 1.11. The performance data for the first two quarters of 2023/24 was reported to the JEC on 25 January 2024, a copy of the report is enclosed at Appendix 1. This provides the JEC with an ongoing overview of performance, in both qualitative and quantitative terms, to identify areas of effective performance, improvement and areas for review. It is anticipated that financial reporting for hosted services will be provided to the JEC in March 2024.
- 1.12. An annual review of Service Strategies is required to update IAA Appendix Schedule 8 (Finance) to provide updated costs. This also enables changes to be implemented following amendments agreed by the JEC where a hosted service is partially disaggregating, has been extended or been agreed as a long-term hosted service. Senior Responsible Officers (SROs) are required to review and update the Strategies to ensure they reflect the current service provision, in discussion with Finance and Legal, to prepare updated documents. This process is underway to update the IAA by 31 March 2024. This also provides the opportunity for discussion about performance of the services and review of arrangements.
- 1.13. Where only partial disaggregation has been possible, a number of long-term services will be added to the IAA.

2. Proposals

- 2.1. It is proposed that Members of the Joint Overview and Scrutiny Committee recommend to the Joint Executive Committee that an annual review of the long-term hosted services is undertaken based on performance against indicators agreed by the JEC. This will provide a framework for undertaking annual reviews linked to the agreed performance monitoring.
- 2.2. Following the annual review, Senior Responsible Owners will make recommendations on the findings via the JOB and JEC and outline changes to the disaggregation schedule or updates to the Service Strategies. Assessment of the delivery of services and functions and implementing amendments through the agreed governance process will ensure hosted services continue to deliver effectively with robust monitoring in place.

3. Alternative options considered

- 3.1 Members could choose to recommend continuing with the current review arrangements as set out in the Service Strategies.

4. Conclusion and reasons for recommendations

- 4.1. In the first year of the joint working arrangements, the review process has developed in response to specific service requests and updates to Services Strategies. There is an opportunity to define the review process for long-term hosted services more clearly and link to performance indicators.

Implications:

Contribution to the Cumberland Plan and Westmorland and Furness Plan Priorities -

The report sets out the proposed arrangements for the review process associated with the long-term hosted services following Local Government Reorganisation. These arrangements provide the opportunity for each authority to deliver the services in a way that contributes towards each of their council plan priorities.

Relevant Risks – There are no risks arising from this report.

Consultation / Engagement - No consultation is required in relation to the recommendations set out in this report.

Legal – There are no legal implications arising from this report.

Finance –The performance measures proposed by this report are based on those already agreed by the JEC that have superseded those within the IAA. This was agreed in November 2023 with Q1 and Q2 performance data being provided in January 2024.

This has not impacted the finance or budget reporting elements of the IAA, so there are no significant financial implications or risks to note.

Information Governance – There are no information governance implications arising from this report.

Impact Assessments –

Have you screened the decision for impacts using the Impact Assessment? No - there are no direct equality and diversity implications arising from this report. Individual Equality Impact Assessment screenings are being undertaken for service disaggregation projects.

Contact details:

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Appendices attached to report:

Appendix 1: Performance Report provided to Joint Executive Committee in January 2024.

Background

papers:

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

Hosted Services Overview report to the Joint Overview and Scrutiny Committee, 30 October 2023.