



# Report to Executive

Meeting Date – 19 March 2024  
Key Decision – No  
Public/Private – Public

Portfolio – Councillor Markus Campbell-Savours, Governance and Thriving Communities  
Directorate – Resources  
Report Author – Clare Liddle, Chief Legal Officer and Monitoring Officer

## **Title – Amendments to the Inter-Authority Agreements**

### **Brief Summary:**

The Inter Authority Agreement (IAA) between Cumberland Council and Westmorland and Furness Council was entered into on 31 March 2023 with the purpose of providing the arrangements for the governance and delivery of hosted services and functions. The IAA has been in place for nearly a year and there are several changes that have happened since entering into the agreement. The purpose of this report is to request approval to a number of changes and for Executive to agree to enter a Deed of Variation to enable the changes to be made to the IAA.

The report also seeks approval to extend, for a further 12 months, the Service Level Agreement between Cumberland Council and Westmorland and Furness Council under s.113 of the Local Government Act 1972 which governs the arrangements between the two Authorities in respect of a number of shared roles.

### **Recommendations:**

For the reasons set out in this report, Executive is recommended to:

- 1) Agree to enter in to a Deed of Variation relating to the Inter Authority Agreement between Cumberland Council and Westmorland and Furness Council to implement the following changes:
  - Note Service Strategies for hosted services that will disaggregate by 31 March 2024.
  - Update Service Strategies for hosted services in accordance with changes agreed by the Joint Executive Committee.

- Revisions to the Hosted Service budget for 2024/25 and updated finance information within Service Strategies.
- 2) Agree to extend the existing Agreement between Cumberland Council and Westmorland and Furness Council under s.113 of the Local Government Act 1972 for a further 12 months.
  - 3) Delegate authority to agree final terms of the Deed of Variations for both the Inter Authority Agreement and the s.113 Agreement to the Monitoring Officer and Section 151 Officer, in consultation with the Leader of the Council and the Finance Portfolio Holder.

**Tracking**

Executive:	19 March 2024
Scrutiny:	
Council:	

## 1. Background to the Inter Authority Agreement

- 1.1. Cumberland Shadow Executive and Westmorland and Furness Shadow Cabinet separately agreed to enter into an Inter Authority Agreement (IAA) on 31 March 2023. The authorities agreed that for varying periods of time the exercise of their duties would be served by certain functions and services being discharged and delivered as a number of shared services. The IAA sets out the arrangements for the Joint Executive Committee (JEC) to undertake responsibility for the governance of those functions and services, and the arrangements and general terms on which the authorities administer and exercise responsibility. A Service Strategy is in place for each hosted service. This is the schedule that details the agreed approach to delivering the functions described within the IAA in terms of service provision, performance monitoring and costs.
- 1.2. Following the initial year of operation through the Joint Disaggregation Programme and amendments to functions and services, Cumberland Council and Westmorland and Furness Council are seeking to agree a Deed of Variation relating to the IAA.
- 1.3. The disaggregation of services has been implemented in accordance with the terms set out in the IAA. The JEC has also approved recommendations to bring disaggregation dates forward, postpone the date of disaggregation, implement revised delivery arrangements, and move to long-term hosting.
- 1.4. The following services have been successfully disaggregated since the programme commenced on 1 April 2023:

<b>Hosted service</b>	<b>Host authority</b>	<b>Disaggregation date</b>
Global Resettlement Team	Cumberland	30 September 2023
School Organisation and Admissions	Westmorland and Furness	30 September 2023
Customer Service Team (former County Service Centre)	Westmorland and Furness	31 October 2023
Human Resources / Organisational Development (HR/OD) Centralised Resourcing	Westmorland and Furness	31 October 2023
HR/OD Pay and Reward and Pension Advisor	Westmorland and Furness	31 October 2023
HR/OD Organisational Development and Workforce Training	Cumberland	31 October 2023
Children's Services - Improvement / Quality Assurance	Cumberland	30 September 2023
Children's Services - Integration and Partnerships	Cumberland	31 October 2023

<b>Hosted service</b>	<b>Host authority</b>	<b>Disaggregation date</b>
Children's Services - Local Authority Designated Officer (LADO)	Cumberland	31 December 2023

1.5. The following services are expected to disaggregate on 31 March 2024 (subject to the safe and legal requirements of both authorities):

<b>Hosted service</b>	<b>Host authority</b>	<b>Disaggregation date</b>
Public Health – Education Infection and Prevention and Control Team	Cumberland	31 March 2024
Public Libraries – Operational Leadership and Delivery Lead, and Culture and outreach management	Cumberland	31 March 2024 (partial disaggregation)
Former county HR/OD – Social Work Academy	Cumberland	31 March 2024
Human Resources (HR) Payroll Administration: Recruitment and DBS	Cumberland	31 March 2024 or 31 July 2024 (at the latest)
Independent Placement Team (Commissioning)	Westmorland and Furness	31 March 2024
Finance – former county Insurance Team	Westmorland and Furness	31 March 2024
Digital Innovation and Customer Experience	Westmorland and Furness	31 March 2024
Economic Programmes - Accountable Body Assurance	Westmorland and Furness	31 March 2024 (linked to LEP arrangements)

1.6. It is proposed that the Service Strategies for the services described in paragraphs 1.4 and 1.5 are noted as having disaggregated following the disaggregation of these services.

1.7. For hosted services continuing after 1 April 2024, Senior Responsible Owners have reviewed Service Strategies to ensure they reflect the current service provision, performance arrangements and budget. Adjustments also need to be made following approval of changes to disaggregation dates and arrangements by the JEC. Following these changes and to provide updated costs for 2024/25, amendments are required to the following Service Strategies:

<b>Hosted service</b>	<b>Host authority</b>	<b>Disaggregation date</b>
Apprenticeship Service (Workforce planning and resourcing)	Westmorland and Furness	30 September 2024
Adults Urgent Care Team	Cumberland	30 September 2024 or 31 March 2025 (at the latest)

Children's Emergency Duty Team	Westmorland Furness	and	No date specified
Apprenticeship Service (apprenticeship levy)	Westmorland Furness	and	31 March 2025
Finance – Core Financial Systems	Cumberland		31 March 2025
Finance – Purchase to Pay/Accounts Payable/Account Receivable	Cumberland		31 March 2025
Finance – School's Finance Team	Westmorland Furness	and	31 March 2025
County Records Management	Cumberland		31 March 2025
County ICT	Cumberland		At least 31 March 2025
Human Resources (HR) Payroll Administration: Payroll and HR Administration Services	Cumberland		31 March 2025
Digital Infrastructure / Connecting Cumbria	Cumberland		31 December 2025
Registration Service	Cumberland		31 March 2026
Active Cumbria	Cumberland		Long-term hosted service
Active Travel	Cumberland		Long-term hosted service
Adoption	Cumberland		Long-term hosted service
Adult Learning	Westmorland Furness	and	Long-term hosted service
Archive Service	Cumberland		Long-term hosted service
Emergency Planning and Resilience	Westmorland Furness	and	Long-term hosted service
Fostering	Cumberland		Long-term hosted service
Residential and Edge of Care Homes	Cumberland		Long-term hosted service
Waste Disposal	Cumberland		Long-term hosted service
Public Libraries Back Office & Stock Management, and Library Services for Schools (LSS)	Cumberland		Long-term hosted service from 1 April 2024

1.8. Updates to the IAA will be detailed in the Deed of Variation relating to Inter Authority Agreement to ensure that it reflects changes to the Service Strategies and financial information.

1.9. It is proposed that delegated authority to agree final terms of the Deed of Variation is given to the Monitoring Officer and Section 151 Officer, in consultation with the Leader

of the Council and the Finance Portfolio Holder. The amended Service Strategies and updated Schedules to the Inter Authority Agreement will be appended to the Deed of Variation once final terms are agreed.

## **2. Background to the s.113 Agreement**

2.1 Cumberland Shadow Executive and Westmorland and Furness Shadow Cabinet separately agreed to enter into an agreement under s.113 of the Local Government Act 1972 on 31 March 2023 for a duration of 12 months. The authorities agreed that because of the specialist nature of key roles which formerly sat in the County Council, the allocation of these roles to one or other authority would leave either Cumberland or Westmorland and Furness Council exposed to risk in terms of service delivery or skills shortage. It was proposed that to address this further recruitment and/or training would take place with a view to ending these roles within a 12-month period.

2.2 Whilst for the majority of these roles the requirement for staff to work across both authorities is at an end, there are still some service areas where it has not been possible, for a variety of reasons, to address the gaps in service provision. As such, both Authorities have agreed via the Service Assistant Directors and in consultation with staff concerned, that the shared roles should continue for a further limited period, up to a maximum of 12 months. There are approximately 20 staff employed by Westmorland and Furness and 39 staff employed by Cumberland in this position who are proposed remain in shared roles. This is a reduction to the original number of shared roles of 333.

2.3 The arrangements put in place to govern the shared roles, enabling the authorities to work effectively together, with appropriate protections in place for each will continue to mean that costs of the shared roles are met equally between both authorities.

## **3. Proposals**

3.1. It is proposed that executive agree to enter into Deeds of Variation relating to the Inter Authority Agreement and the s.113 Agreement between Cumberland Council and Westmorland and Furness Council to implement the changes set out above.

## **4. Alternative options considered**

4.1. Executive could choose to maintain the Inter Authority Agreement as agreed by Cumberland Shadow Executive and Westmorland and Furness Shadow Cabinet on 31 March 2023 and choose not to extend the s.113 Agreement.

## **5. Conclusion and reasons for recommendations**

5.1. The recommendations ensure that the Inter Authority Agreement is updated to reflect the progress of the Joint Disaggregation Programme, implement changes agreed by the Joint Executive Committee and provide revised budget costs for hosted services. The

s.113 Agreement governs the arrangements between the two Authorities where there is agreement for staff to work safely and lawfully across the other Authority.

## **Implications:**

**Contribution to the Cumberland Plan Priorities** - The report sets out the arrangements in place for the governance of hosted functions and services and the staff working on those services and jointly, and the arrangements and general terms on which the authority will administer and exercise responsibility. These arrangements provide the opportunity to deliver the services in a way that contributes towards the council plan priorities.

**Relevant Risks and explain how risks can be mitigated** - Changes in hosting arrangements must be reflected in the Inter Authority Agreement. This includes the payments for services hosted between the two authorities, as set out in the Service Strategies. The Joint Disaggregation Programme has identified that there is a risk that the financial costs of disaggregation impact negatively on the financial plans of the two councils and the fire service. Approval of the Variation to the Inter Authority Agreement, including revision of budget costs and updating finance information will act to mitigate the risk outlined above.

A risk register is maintained for each individual service disaggregation project, if there is a risk to delivery of the safe and legal disaggregation, the Senior Responsible Owner and relevant Programme Manager are responsible for escalating risks to the Joint Disaggregation Group, the Joint Officer Board and to the Joint Executive Committee.

**Consultation / Engagement** - Approval of the Variation to the Inter Authority Agreement and amendments will also be sought from Westmorland and Furness Council Cabinet.

**Legal** – The Inter Authority Agreement and the s.113 Agreement, agreed by both Councils in March 2023 are the legal Agreements which govern the discharge of functions and terms upon which they are discharged and staffing arrangements between Cumberland and Westmorland and Furness Council. The Local Government Act 1972 (s.101 and s.113) provides that the functions of Local Authorities can be discharged in the manner proposed and the basis and limitations of doing so.

**Finance** – The Inter Authority Agreement and the s.113 Agreement along with the associated schedules set out the services that are to be provided and include the financial management arrangements.

Agreeing the recommendations set out in this report will provide the necessary delegated authority for the agreements to be varied and will ensure sound financial arrangements remain in place, as part of the IAA and s113 agreement, to protect the Councils financial position.

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

**Impact Assessments** – There are no direct equality and diversity implications arising from this report. Individual Equality Impact Assessment screenings are being undertaken for service disaggregation projects.

**Lead Officer Contact details:**

Name: Clare Liddle  
Email: [Clare.liddle@cumberland.gov.uk](mailto:Clare.liddle@cumberland.gov.uk)  
Phone Number: 01228 470241

**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:

**Appendices attached to report:** None