

## **Report to the Cabinet**

**Report reference:** C-048-2010/11  
**Date of meeting:** 6 December 2010



**Portfolio:** Leader

**Subject:** West Essex District Councils' Group – Memorandum of Understanding

**Responsible Officer:** Derek Macnab (01992 564050).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### **Recommendations/Decisions Required:**

**That a report be submitted to the Council recommending:**

(a) That the Council endorses the underlying principles and the outcomes contained in the Memorandum of Understanding prepared by the West Essex District Council's Group (Appendix 1); and

(b) That the Council formally approves the agreement and authorises the Leader of Council to sign on behalf of the Council.

### **Executive Summary:**

As a result of the Comprehensive Spending Review, the next few years are going to present all publicly funded bodies with a huge challenge in terms of protecting services that people need and value, against a backdrop of diminishing resources. One of the keys to this will be to ensure that public bodies seek opportunities to increase economy and efficiency, by working collaboratively.

At the same time, new structures are emerging with respect to growth, economic development and regeneration with the creation of the Essex/Kent/East Sussex Local Economic Partnership.

This report seeks Members' approval to enter into a Memorandum of Understanding with the neighbouring District Councils of Harlow and Uttlesford, to promote and protect the interests of West Essex.

### **Reasons for Proposed Decision:**

To recognise the intention to work in partnership on a sub-regional basis in West Essex and the informal timetable agreed between representatives of the three Councils concerned.

### **Other Options for Action:**

To continue with the predominantly ad-hoc working arrangements that currently exist, seeking opportunities for collaborative working as and when they arise.

## Report:

1. Whilst there has been a history of partnership working between the District, County, and Town and Parish Councils in Essex, this has evolved in a largely non-strategic fashion, as opportunities have arisen to work on projects of mutual benefit or submit joint funding bids.
2. However, with the impact of the recession and the necessary wholesale reductions in public expenditure, arising from the comprehensive spending review, there has been a much greater focus on the need to reduce costs. There is a general acceptance that services will need to be provided differently if this is to be achieved.
3. In Essex a number of shared service initiatives have been implemented and a number of others are under consideration. However, to date these have largely been around specific attempts to reduce expenditure on the provision of common “back office” support services. An example of this type of initiative is the insurance claim handling arrangements that Epping Forest District Council provide to Uttlesford District Council, for a fee.
4. Given the scale of the financial difficulties most authorities in Essex are facing, a number of efficiency measures are being explored to include joint procurement, co-location of services, rationalisation of buildings and assets, joint senior management arrangements and where feasible, a shared approach to the delivery of services.
5. As a result of the ongoing dialogue across the County and as evidenced by a number of feasibility studies that have been undertaken, it is proving difficult to implement change at the pace required, on a Pan-Essex basis. Therefore, a number of sub-regional clusters of authorities, operating largely on the basis of partnerships of the willing, have started to emerge. There are a number of common opportunities and challenges where it would make sense to operate on this basis across West Essex.
6. The new Local Enterprise Partnership (LEP) arrangements, identify West Essex as a sub-region, of the emerging Essex/Kent/East Sussex LEP. This would appear to reaffirm the M11 corridor as having a natural synergy with respect to economic development and regeneration. Similarly, with the pressure to provide affordable housing, the Homes and Communities Agency, in conjunction with the three West Essex Authorities, have developed a joint Local Housing Investment Plan.
7. Other issues such as improved transport arrangements to tackle congestion and the ability to respond to the significant change driven by the Health White Paper, with respect to the abolition of Primary Care Trusts and the formation of G.P led consortia, again, may well be better addressed on an area basis.
9. As part of discussions between the respective Leaders of Epping Forest, Harlow and Uttlesford Councils and set within the context of dialogue between the Leaders of all the Essex Authorities, a proposal has emerged to enter into a Memorandum of Understanding for the West Essex District Councils. This is attached for consideration at Appendix 1.
10. An underpinning principle of the Memorandum is, that each Council will retain its own sovereignty and character, which each other partner will recognise and respect. In effect, the Memorandum is a statement of intent to work together where it is in the mutual interest. However, it does not compromise any Authorities political or financial independence.
11. It is envisaged that where collaborative working takes place in future, for example, to procure or jointly deliver services, it will be on the basis that any savings are shared and specifically, that no degree of subsidy is provided by one Council to another. The relative financial strength of Epping Forest District Council will therefore be protected. Indeed, there

may well be opportunities to offer our expertise in certain areas, to the other Councils on a quasi-commercial basis.

12. Finally, it is also recognised that it may not always be appropriate to confine partnership arrangements to the West Essex District Council's Group and, as such, the Memorandum recognises that it may be necessary to look beyond West Essex for a solution to a problem affecting any individual Council.

**Resource Implications:**

By working together on a collaborative basis, opportunities to improve organisational, economy, efficiency and effectiveness could be realised.

Personnel

The effects of any revised staffing arrangements arising from initiatives generated by the Memorandum of Understanding will be subject to the Council's normal consultative arrangements.

Land

West Essex has been recognised as a sub-region of the Essex/Kent/East Sussex Local Enterprise Partnership and may attract future funding for regeneration and infrastructure improvements.

**Legal and Governance Implications:**

The Memorandum of Understanding is not a legally binding document, rather a statement of intent to work together within the remit of the Community Leadership role of each respective authority.

**Safer, Cleaner and Greener Implications:**

Scope for enhanced partnership working in terms of Community Safety and the wider environmental agenda.

**Consultation Undertaken:**

Leaders of the West Essex District Councils.

**Background Papers:**

None.

**Impact Assessments:**

Risk Management

No negative equality improvements have been identified.

Equality and Diversity

*Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?* No

*Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?* No

*What equality implications were identified through the Equality Impact Assessment process?*  
N/A.

*How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?*  
N/A.

### **The West Essex District Councils Group - A Memorandum of Understanding**

Epping Forest, Harlow and Uttlesford District Councils when acting together agree to be known as the West Essex District Councils Group.

Whilst each Council has its own sovereignty and characteristics, which each partner will continue to recognize and respect, they are committed to working together to promote the interests of West Essex and to improve their organisational economy, efficiency and effectiveness.

#### The Councils collectively recognise:

- The need to promote and to protect the interests of West Essex.
- The need to work together to develop ways to improve their value for money, the performance of their services and their responsiveness to the needs of their communities.
- That significant and continuing constraints on public sector resources mean that there is an increasing need to work collaboratively as the West Essex Councils with each other and with other public, voluntary and private sector organisations to achieve economies and efficiencies.
- The need to maintain their individual roles as community leaders but to work together to develop strategic responses to pan West Essex, sub-regional and national issues.
- Individually, where appropriate, they may need to look beyond West Essex for a solution to a problem affecting their area.

#### The Councils agree to:

- Jointly provide a strong West Essex voice to ensure that its interests are heard at the highest level and that the resource investments and the commissioning of services by others meet the needs of its communities.
- Work jointly on strategic issues where it is appropriate and will benefit the residents and businesses of, and visitors to, the communities of West Essex.
- Develop opportunities to achieve economies of scale, improved efficiency and improved effectiveness through partnership working together.

#### The Councils therefore undertake to:

- Always to consider a West Essex District Councils Group approach to the influencing, commissioning and delivery of services for the benefit of the communities they serve.