

Report to: **Overview and Scrutiny Committee**
Date: **27 July 2017**
Title: **SH/WD Joint Steering Group Update**
Portfolio Area: **Leader of the Council**
Wards Affected: **Which Wards/all**
Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y / N**

Date next steps can be taken: Immediate

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RECOMMENDATION

- 1. That the support the work of the SH/WD Joint Steering Group to date be supported; and**
- 2. That, if South Hams District Council agrees to pursue the Single Council proposal, the Overview and Scrutiny Committee review the outputs of the consultation process and provide Executive with feedback from that consultation**

1. Executive summary

- 1.1 A Joint Steering Group was formed to consider potential options for addressing the future funding gap of both Councils.
- 1.2 The Joint Steering Group initially met to consider matters in respect of forming a Local Authority Controlled Company however this report only considers the work of the group since the decision was taken not to implement a company.
- 1.3 The Joint Steering Group have formally met on 5 occasions to consider options for contributing to the future funding gap with sub groups meeting to discuss individual subjects to inform the overall JSG work.

2. Background

- 2.1 A Joint Steering Group was formed in August 2016 to consider one option for addressing the future funding gap of the Councils. At that time, the Joint Steering Groups worked focused on understanding the implications of forming a Local Authority Controlled Company.
- 2.2 The groups' recommendation to the Council at that time was to not proceed with the implementation of a company band to explore other alternatives.
- 2.3 The group have continued to meet under a revised terms of reference to consider further options which the Council could explore jointly with West Devon Borough Council. The first meeting of the revised JSG was held in March 2017 and they have met on 5 occasions since that date.
- 2.4 Meetings have alternated between South Hams and West Devon with the respective Council Leader chairing the meeting. Summary updates have been provided to all Members through the Member Bulletins following a meeting and all meetings have been open for any Member to attend.
- 2.5 At the meeting in March 2017, the Joint Steering Group considered what options they wished officers to explore in more detail.
- 2.6 Based on the achievability (timescales, legal possibility etc) and the potential for options to contribute to the future funding gap, the Joint Steering Group considered the following options required further exploration;
 - Creation of single Council
 - Outsource or wholly owned company for waste and commercial services
 - Service Reductions
 - Structural Review
 - Council Tax Increase
- 2.7 In prioritising the options, Service Reductions, Structural Review and Council Tax increase were considered by the JSG to be items that both Councils should consider in line with the 18/19 budget setting process with Single Council proposal and Waste delivery being priority areas to focus officer resources.

Single Council Proposal

- 2.8 Creation of a single Council was considered by the JSG as an option for exploring much earlier due to the timescales for government approvals and the consultation that we would be looking to undertake.
- 2.9 A number of individual items were brought to the Joint Steering Group for consideration at their meetings which enabled a proposal to be developed for consideration by Members
- 2.10 Following consideration of a draft proposal, the Joint Steering Group have recommended that the Council agrees in principle to establishing a single second-tier Council for West Devon and South Hams from 1st April 2019, proceeds with public and stakeholder consultation and returns to Council for approval in October 2017 along with the outcome of the consultation.

- 2.11 The full proposal along with draft consultation document has been published ahead of a meeting of the Executive on 20th July and subsequent Council meeting on 27th July 2017.
- 2.12 Should the decision be taken to proceed with consultation, it is recommended that the consultation responses are subject to review by Overview and Scrutiny at their meeting on 5th October 2017 in order that the views can be provided to Executive before meeting later that month.

Outsource or wholly owned company for Waste and Commercial Services

- 2.13 South Hams District Council have been sharing services with West Devon Borough Council for a number of years. As West Devon's Waste and Street Cleansing contracts are expiring in the next 18 months, there is an opportunity to explore the potential for delivery of these services across the two Councils.
- 2.14 The Group Manager Commercial Services was therefore asked by the Joint Steering Group to consider options in respect of future delivery of Waste and Street Cleansing Services across the two Councils. Work continues with the Waste Working Group to consider these matters with a position being brought back to the Joint Steering Group for consideration at their August 2017 meeting before any recommendations are made to each Council.
- 2.15 The full minutes of Joint Steering Group Meetings are attached as exempt appendix A to this report

3. Outcomes/outputs

- 3.1 The Joint Steering Group will continue to explore opportunities to jointly address future funding gaps and reports will be presented to relevant committees when the options have been fully considered.

4. Options available and consideration of risk

- 4.1 Each of the options being considered by the Joint Steering Group has a different risk profile.
- 4.2 The Single Council proposal has been published and includes the key risks in proceeding with that option.
- 4.3 Risks and mitigations for other options will be fully set out in future reports to Council when the proposals have been fully developed.

5. Proposed Way Forward

- 5.1 Future Joint Steering Group Meetings have been scheduled with all Members able to attend. The meetings are currently scheduled as follows:-
- 5.2 Tuesday 22nd August 1400 – 1600 Kilworthy Park, Tavistock
Wednesday 27th September 1300-1500 Follaton House, Totnes
Tuesday 24th October 1000-1200 Kilworthy Park, Tavistock
Wednesday 22nd November 1300-1500 Follaton House, Totnes

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		N/A – update report
Financial		N/A – update report
Risk		N/A – Update report
Comprehensive Impact Assessment Implications		
Equality and Diversity		N/A – Update report
Safeguarding		N/A Update report
Community Safety, Crime and Disorder		N/A – Update report
Health, Safety and Wellbeing		N/A – Update report
Other implications		N/A – Update report

Supporting Information

Appendices:

Appendix A (Exempt) – Minutes of Joint Steering Group Meetings March 17 – June 2017 (Note that minutes of July meeting are not available at time of this report)