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Contact Officer:

John Armstrong,
Democratic Services and Elections Manager
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8 February 2021

Dear Councillor

Your attendance is requested at a meeting of the **EXECUTIVE** on **TUESDAY, 16 FEBRUARY 2021** at 7.00 pm. This meeting can be accessed remotely via Microsoft Teams in accordance with the provisions of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meeting) (England and Wales) Regulations 2020.

If councillors lose their wi-fi connectivity to the meeting and are unable to re-join using the link on the Outlook calendar invitation, please re-join using the telephone number 020 3855 4748. You will be prompted to input a conference ID: 292 985 502#

Yours faithfully

James Whiteman
Managing Director

MEMBERS OF THE EXECUTIVE

Chairman:
Councillor Joss Bigmore
(Leader of the Council and Lead Councillor for Service Delivery)

Vice-Chairman:
Councillor Caroline Reeves
(Deputy Leader of the Council and Lead Councillor for Housing & Development Control)

Councillor Tim Anderson, (Lead Councillor for Resources)
Councillor Jan Harwood, (Lead Councillor for Climate Change)
Councillor Julia McShane, (Lead Councillor for Community)
Councillor John Redpath, (Lead Councillor for Economy)
Councillor John Rigg, (Lead Councillor for Regeneration)
Councillor James Steel, (Lead Councillor for Environment)

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months. If you have any queries regarding webcasting of meetings, please contact Committee Services.

QUORUM 3



THE COUNCIL'S STRATEGIC FRAMEWORK

Vision – for the borough

For Guildford to be a town and rural borough that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting-edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment, which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs.

Three fundamental themes and nine strategic priorities that support our vision:

- | | |
|---------------------|--|
| Place-making | Delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes |
| | Making travel in Guildford and across the borough easier |
| | Regenerating and improving Guildford town centre and other urban areas |
| Community | Supporting older, more vulnerable and less advantaged people in our community |
| | Protecting our environment |
| | Enhancing sporting, cultural, community, and recreational facilities |
| Innovation | Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need |
| | Creating smart places infrastructure across Guildford |
| | Using innovation, technology and new ways of working to improve value for money and efficiency in Council services |

Values for our residents

- We will strive to be the best Council.
- We will deliver quality and value for money services.
- We will help the vulnerable members of our community.
- We will be open and accountable.
- We will deliver improvements and enable change across the borough.

AGENDA

ITEM NO.

1 APOLOGIES FOR ABSENCE

2 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTERESTS

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3 MINUTES (Pages 5 - 10)

To confirm the minutes of the meeting of the Executive held on 26 January 2021.

4 LEADER'S ANNOUNCEMENTS

5 GYPSY AND TRAVELLER TRANSIT SITE PROVISION IN SURREY (Pages 11 - 16)

6 COLLABORATION BY COUNCILS IN SURREY (Pages 17 - 88)

Key Decisions:

Any item on this agenda that is marked with an asterisk is a key decision. The Council's Constitution defines a key decision as an executive decision which is likely to result in expenditure or savings of at least £200,000 or which is likely to have a significant impact on two or more wards within the Borough.

Under Regulation 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, whenever the Executive intends to take a key decision, a document setting out prescribed information about the key decision including:

- the date on which it is to be made,
- details of the decision makers,
- a list of the documents to be submitted to the Executive in relation to the matter,
- how copies of such documents may be obtained

must be available for inspection by the public at the Council offices and on the Council's website at least 28 clear days before the key decision is to be made. The relevant notice in respect of the key decisions to be taken at this meeting was published as part of the Forward Plan on 2019.

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EXECUTIVE

- * Councillor Joss Bigmore (Chairman)
- * Councillor Caroline Reeves (Vice-Chairman)

- | | |
|----------------------------|---------------------------|
| * Councillor Tim Anderson | * Councillor John Redpath |
| * Councillor Jan Harwood | * Councillor John Rigg |
| * Councillor Julia McShane | * Councillor James Steel |

*Present

Councillors Richard Billington, Chris Blow, Angela Goodwin, Nigel Manning, Ramsey Nagaty, Maddy Redpath, Deborah Seabrook, Paul Spooner and Catherine Young were also in attendance.

EX69 APOLOGIES FOR ABSENCE

There were no apologies for absence.

EX70 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTEREST

There were no declarations of interest.

EX71 MINUTES

The minutes of the meeting held on 5 January 2021 were confirmed as a correct record. The Chairman signed the minutes.

EX72 LEADER'S ANNOUNCEMENTS

The Leader extended thanks to Guildford residents for their continued observance of the lockdown guidance. Noting there had been some isolated examples of poor behaviour, the vast majority of the Borough had followed the rules and consequently there had been a material drop in infection rates. It was stressed, however, that rates still remained high and it was important to continue to make the sacrifices necessary to protect each other and those in the NHS.

The vaccination programme continued to run at an accelerated pace. This week there would be three days pause at G Live as the NHS team finished vaccinating those in care homes and the housebound. The Leader noted significant progress in vaccination of the most vulnerable groups. Despite this good news, one in three people who had coronavirus had no symptoms, so if residents were in any doubt they should continue to act as if they had the virus.

The Leader highlighted a collaboration between Unigold, Guildford Philanthropy and Kings College. Fifty laptops had been provided to students within the space of one week enabling them to study remotely. The Leader thanked those involved in securing this arrangement.

The 2021 Mayor's Award for Service to the Community had been launched and would honour local residents and groups who had helped the Borough through the unprecedented year. The awards aimed to recognise the contribution of local people who had gone out of their way to improve the lives of others, foster good relationships and encourage a positive community spirit. This year, there was a new 'Community Heroes Award' to celebrate individuals and

groups whose activities had supported residents affected by the pandemic. The Leader was pleased to announce that thirty nominations had already been received. The deadline for nominations was 5 February.

Finally, the Leader mentioned the Council's planning enforcement team and the work undertaken at Wanborough Fields in association with the Article 4 directions. Two appeals had been won and multiple notices issued and served on various plots of land within the article 4 area. The Leader thanked those officers involved and the local ward councillor for their hard work.

EX73 CAPITAL AND INVESTMENT STRATEGY 2021-22 TO 2025-26

The Executive considered a report setting out a high-level overview of capital expenditure, capital financing and treasury management activity contributing to the provision of local public services along with an overview of how associated risk was managed and the implications for future sustainability.

The report set out details of the capital programme including one new bid to be agreed; the requirements of the Prudential Code, the Council's Minimum Revenue Provision policy and the Prudential Indicators; the investment strategy covering treasury management investments, the control and management of the Council's cash, daily cash position, investments and borrowing; commercial investments plus the requirements of the Treasury Management Code and the Ministry of Housing, Communities and Local Government (MHCLG) Statutory Guidance.

The Council had a current underlying need to borrow £400 million for the general fund capital programme. It was possible that capital receipts or revenue streams could arise as a result of investment schemes, but in most cases, this was uncertain and assumptions could not be made at this stage. Where there was more certainty of potential income, this had been included in the capital vision.

It is likely that there would be cash-flow implications for development projects where expenditure would be required early on in the project and income would be delivered after the five-year time horizon. All projects would be funded by general fund capital receipts, grants and contributions, reserves and finally borrowing. There was no detail provided for individual funding for each scheme as this was a high-level report. Subject to detail coming forward there might be scope to fund from Housing Revenue Account (HRA) resources rather than General Fund resources. Detailed funding proposals for each scheme would be considered when the Outline Business Case for each scheme was presented to the Executive for approval at a future date.

A number of schemes were recommended for removal from the capital programme as they were no longer deliverable as previously programmed. There was one new bid of £1.58 million received for 2021-22 which was the Guildford Economic Regeneration Programme, details of which were set out in Appendix 2 to the report.

The report had also been considered by the Joint Executive Advisory Board at its meeting held on 7 January 2021 and the Corporate Governance & Standards Committee on 14 January 2021. Both endorsed the recommendations set out for the Executive.

The Capital and Investment Strategy was an important guide to enable the Council to deliver prioritised schemes that addressed key issues for the Borough such as housing need, congestion, and the future of the town centre.

Having considered the detailed report, the Executive

RESOLVED: Subject to Council approving the budget on 10 February:

- (1) That the following schemes be removed from the capital programme because the remit of the schemes, if they were to proceed, would be different to the business case that was originally approved in the programme:
 - Museum £18.26 million
 - Public realm £1.6 million
 - Bike Share £530,000
 - Town centre gateway regeneration £3.473 million
- (2) That should any of the schemes be moved forward in future, a new business case be presented to councillors.
- (3) That the affordability limit for schemes to be funded by borrowing be set as per paragraph 4.32 in Appendix 1 to the report submitted to the Executive.
- (4) That the following new capital bid referred to in Appendix 2 to the report:
 - Guildford Economic Regeneration Programme

be added to the General Fund Capital programme provisional list and that this scheme, subject to the limits in the Financial Procedure Rules, be subject to a further report to the Executive, before being progressed.

The Executive further

RECOMMENDED:

- (1) That the General Fund capital estimates, as shown in Appendices 3 and 4 (current approved and provisional schemes), as amended to include the new capital bid in respect of the Guildford Economic Regeneration Programme, Appendix 5 (schemes funded from reserves) and Appendix 6 (s106 schemes), be approved.
- (2) That the Minimum Revenue Provision policy, referred to in section 5 of the report be approved.
- (3) That the Capital and Investment Strategy be approved, specifically the Investment Strategy and Prudential Indicators contained within the report and in Appendix 1.

Reasons:

- 1) To enable the Council to approve the Capital and Investment strategy for 2021-22 to 2024-25
- 2) To enable the Council, at its budget meeting on 10 February 2021 to approve the funding required for the new capital investment proposals

EX74 HOUSING REVENUE ACCOUNT BUDGET 2021-22

The Executive considered a report on the proposed Housing Revenue Account (HRA) budget for 2021-22 which had been built on the estimates and assumptions set out in the HRA Business Plan 2019 - 2049. The business plan, which had been approved by Council in February 2019, was scheduled for review during the course of this year in the light of the COVID-19 pandemic and Brexit as those factors had impacted the Council's operating environment.

It was proposed that rents for 2021-22 should increase by (1.8%) being the annual (0.8%) September 2019 to September 2020 Consumer Price Index (CPI) plus 1% prescription. A 3.4% increase in garage rents was also proposed from April 2021.

There was a stock of 5,206 homes at the start of the year. It was noted that during 2020-21 there had been an increase in Right to Buy of 50%. The Government had extended the deadline to repay Right to Buy receipts and there were none to be repaid in the coming financial year. The Council had first refusal on any housing sold under Right to Buy that come on the open market and some properties had been repurchased.

Council continued with a policy not to repay debt to the HRA but to use any surplus to invest to improve its housing stock and build new houses where possible. Repayment of the debt remained at a stable interest rate. There had been an underspend of £2 million on the budget for 2020-21 due to an inability to undertake repairs due to the pandemic. This would be transferred to reserves. There was £122 million in reserves currently and the Council had active plans to utilise those reserves in providing additional housing.

A bad-debt provision had been allowed for £500,000 for the year to come due to the ongoing impact of the pandemic on Council residents.

Having considered the report, the Executive

RESOLVED: Subject to Council approving the budget on 10 February 2021:

- (1) That the projects forming the HRA major repairs and improvement programme, as set out in Appendix 3 to the report submitted to the Executive, be approved.
- (2) That the Director of Service Delivery be authorised, in consultation with the Lead Councillor for Housing and Development Control:
 - (a) to reallocate funding between approved schemes to make best use of the available resources; and
 - (b) to set rents for new developments.

The Executive further

RECOMMENDED:

- (1) That the proposed HRA revenue budget for 2021-22, as set out in Appendix 1 to the report, be approved.
- (2) That a rent increase of 1.8%, comprising the September 2020 CPI (0.8%) plus 1%, as required by the Welfare Reform and Work Act 2016, be implemented.
- (3) That the fees and charges for HRA services for 2021-22, as set out in Appendix 2 to the report, be approved.
- (4) That a 3.4% increase in garage rents be approved for 2021-22.
- (5) That the Housing Investment Programme as shown in the amended Appendix 4 as set out in the Supplementary Information Sheet (current approved and provisional schemes), be approved.

Reasons:

To enable the Council to set the rent charges for HRA property and associated fees and charges, along with authorising the necessary revenue and capital expenditure to implement a budget, this is consistent with the objectives outlined in the HRA Business Plan.

EX75 GENERAL FUND BUDGET 2021-22

The Executive considered a report which outlined the proposed budget for 2021-22, which included a Council Tax requirement of £10,392,720 and a Council Tax increase of £5 per year (2.83%) that resulted in a Band D charge of £181.82. As set out in the report, the Council was required to achieve a balanced budget for 2021-22.

The General Fund Summary showed a balanced budget for 2021-22 but forecast a budget gap of £1.6 million in 2022-23 rising to £5.9 million by 2025-26.

The Council received the provisional Local Government Finance Settlement (LGFS) for 2021-22 on 17 December 2020. The figures included in the budget presented reflected the information contained in the settlement.

The Settlement Funding Assessment (SFA) consisted of the local share of business rates, and revenue support grant and was set out in the provisional LGFS. The settlement was in line with the Council's expectation which enabled it to retain £2.929 million of business rates in 2021-22, the same amount as retained in 2020-21. Core Spending Power had also stayed the same as 2020-21 at £14.090m; however, within the core spending power calculation, the Government had assumed that Council Tax would be raised by the maximum amount (£5 or 3% whichever was the higher).

Overall, the LGFS had been positive for the Council as it included additional funding of:

- £153,000 grant to compensate the Council for the Business Rates Multiplier not increasing in line with inflation
- £237,000 lower tier services grant (this was a one-off new grant to support services)
- £623,000 additional COVID 19 funding to help fund the impact of COVID 19 into the new year
- £100,000 Section 31 grant for local council tax support
- £192,000 New Homes Bonus grant for 2021-22 only
- The ability to raise council tax by a maximum of £5 (2.83%) rather than maximum of 2.0%, this additional increase would generate a further £90,000 in council tax income

The Joint Executive Advisory Board (JEAB) had considered the outline budget at its meeting held on 11 November 2020 and the Executive had approved the outline budget on 24 November 2020.

The Chief Finance Officer's statutory report, which was appended to the main report, provided information about the strategic context within which the budget had been prepared, the medium-term financial plan, the robustness of the estimates, adequacy of reserves and budget risks.

The financial monitoring report for the first eight months of 2020-21 had been reported to the Corporate Governance and Standards Committee on 14 January 2021. The projected net expenditure on the General Fund for the current financial year was estimated to be £8.1million more than the original estimate due mainly to the COVID-19 pandemic. Any ongoing variances between actual expenditure and budget identified in 2020-21 had been taken into account when preparing the budget for 2021-22. The deficit on the Collection Fund due to the pandemic would be spread over three years.

Following the Executive approval of the outline budget in November 2020, the Council had undertaken a public consultation exercise on its priorities for spending. The results of the consultation were set out in section 11 of the report with the detailed findings from the consultation set out in Appendix 5 thereto.

This would be the final year the Council received the New Homes Bonus from the Government as the scheme was now closed. The balance of this fund by the end of the financial year would be £600,000. Part of this fund would be transferred to the Guildford Regeneration Project during 2021-22 and another transfer towards the cost of rebuilding Ripley Village Hall as agreed by the Executive in January 2020.

Having considered the report and having noted that it was proposed to freeze the fees and charges for General Fund services for 2021-22, the Executive

RESOLVED:

- (1) That the transfers to/from reserves as set out in Section 8 and Appendix 2 to the report submitted to the Executive be approved.
- (2) That the growth and savings items included in the General Fund Summary at Appendix 2 and set out in detail in Appendix 3, be approved.
- (3) That the financial risk register set out in Appendix 4 be approved and that it be noted that the level of reserves is currently sufficient to meet the Council's risks.
- (4) That the findings of the consultation response set out in Appendix 5 be noted.

The Executive further

RECOMMENDED:

- (1) That no changes be made to the Fees and Charges for General Fund services for 2021-22.
- (2) That the budget, as set out in the General Fund Summary in Appendix 2 be approved, and specifically that the Council Tax requirement for 2021-22 be set at £10,392,720.
- (3) That the Band D Council Tax for 2021-22 be set at £181.82, an increase of £5 (2.83%).

Reason:

To enable the Council to set the Council Tax requirement and council tax for the 2021-22 financial year.

The meeting finished at 7.56 pm

Signed

Chairman

Date

Executive Report

Ward(s) affected: All

Report of Director of Ian Doyle

Author: Samantha Hutchison Community Wellbeing Manager

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Lead Councillor responsible: Joss Bigmore

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Date: 16 February 2020

Provision of a Gypsy Traveller Transit Site in Surrey

Executive Summary

The purpose of this report is to seek approval from the Executive for

1. A capital contribution of £127,000 towards the construction of a Gypsy and Traveller transit site in Surrey.
2. An annual revenue contribution of £7,500 for maintenance of the site.

In response to the increased impact of unauthorised encampments on local communities in recent years, the Surrey Leaders' Group have developed a transit site proposal for Surrey. The proposal will support the police in using their available powers when assisting districts and boroughs managing unauthorised encampments.

The proposal is to build a ten-pitch transit site within the county border at a location yet to be confirmed and with the financial contributions of ten of the district and borough councils. The host borough will not be asked for a financial contribution and the remediation costs of the site will be met by Surrey County Council. The site will be managed by the Surrey County Council Gypsy and Traveller Liaison Team.

The Executive is asked to note that there is no budget on the approved or provisional capital programme for this contribution. There is a budget of £115,000 for Traveller encampments remaining on the provisional capital programme (Scheme PL60(p)) which was initially for works to protect some of our parks and open spaces from unauthorised encampments.

Works have been undertaken from this fund, but the fund has not been fully spent.

Officers are recommending that this budget is re-purposed and a small virement of £12,000 is taken from the capital contingency fund to increase the budget to £127,000 and that the provisional budget is transferred to the approved capital programme. As the budget is

already within the capital programme there is no additional impact on MRP in the revenue budget.

Recommendation to Executive

- (1) That the provision of a Gypsy and Traveller Transit Site in Surrey, as progressed by the Surrey Leaders' Group be supported, and that this Council commits to a one-off contribution of £127,000 in capital funding for the construction of the site and an annual contribution of £7,500 revenue funding for the maintenance of the site.
- (2) That the £115,000 for Traveller encampments remaining on the provisional capital programme (Scheme PL60(p)) be repurposed and a virement of £12,000 be taken from the contingency fund to increase the budget to £127,000.
- (3) That the provisional budget for a contribution towards the provision of a Gypsy and Traveller Transit Site in Surrey be transferred to the approved capital programme.

Reasons for Recommendation:

To enable Surrey County Council to build a 10-pitch transit site that will enable the Police to invoke their section 62A powers under the Criminal Justice and Public Order Act 1994 and help manage unauthorised encampments across the county.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1 The purpose of this report is to ask the Executive to support the county wide strategy on developing a Gypsy and Traveller transit site that has been progressed by the Surrey Leaders' Group and to agree this Council's financial contribution of:
- £127,000 in capital funding to the development of the site
 - £7,500 in annual revenue funding for the maintenance of the site

This will enable the Police to invoke their powers under section 62A of the Criminal Justice and Public Order Act 1994 and therefore help manage the increased impact of unauthorised encampments across the borough.

2. Strategic Priorities

- 2.1 Managing Unauthorised Encampments within the borough contributes to the strategic priority of protecting our environment and supporting people in our community. Providing a transit site within the county will enable a further police power to be used when managing unauthorised encampments in Guildford borough.

3. Background

- 3.1 Gypsy and Traveller unauthorised encampments have historically occurred across the county for many years. Enforcement against an encampment is the responsibility of the landowner and as a local authority, we use Sections 77 and 78 of the Criminal Justice and Public Order Act 1994. (CJPOA) This process, depending on the courts, usually takes up to 10 working days.
- 3.2 In certain circumstances the Police have powers to remove an encampment quickly under Sections 61 and 62A of the CJPOA. Section 61 has certain criteria for the Police to consider but this power is not readily invoked due to the burden of proof required to meet the criteria and the intense demand on police resources enforcement requires. For the police to invoke section 62A of the CJPOA there must be a county transit site which the police can direct occupants towards. To date most of the enforcement against unauthorised encampments in Guildford has been managed through Sections 77 and 78 of the CJPOA.
- 3.3 The project to develop a transit site for Surrey has long been a shared ambition of Surrey County Council (SCC) and the districts and borough councils because of the extra enforcement power available to the Police under Section 62A of the CJPOA. Under Section 62A, an unauthorised encampment can be directed to the transit site and the occupants prohibited from returning to an unauthorised encampment anywhere within the borough for a period of three months.
- 3.4 It is anticipated that a transit site will contribute to addressing the needs of the travelling community and help minimise the conflict sometimes experienced between travelling and settled communities when unauthorised encampments occur.
- 3.5 The Surrey Leaders' Group have had discussions with Surrey Police throughout the project planning stage and the Police have confirmed that they would support the development of a transit site because they would be able to better enforce unauthorised encampment activity.
- 3.6 Whilst the ideal provision would see more than one transit site located at different geographic locations across the county, the Police have confirmed that they would use whatever site is developed as legally it is only the provision of pitches within county boundaries that is necessary for the use of s62A powers.
- 3.7 Building one transit site consisting of 10 pitches is not a definitive answer to all the issues surrounding unauthorised encampments but is a critical step forward in providing an initial capacity that will be able to be used in a proportion of unauthorised encampment activity.
- 3.8 The Surrey Leaders' Group have learned from other authorities that have transit sites in place that they do provide a noticeable impact on the ability to manage unauthorised encampments effectively. West Sussex County Council have reported that although the number of unauthorised encampments in the county has not declined as a result of their transit site, the speed taken to act is much improved due to the increased use of Section 62A powers by the Police.

- 3.9 For the Police to direct unauthorised encampments to a transit site, it is necessary for the site to have enough pitch capacity to accommodate the whole unauthorised encampment. Where there are fewer pitches on the transit site than the numbers in the unauthorised encampment, it is up to the attending police officer as to whether it is suitable or possible to move part of the unauthorised encampment onto the transit site.
- 3.10 Other councils such as Chichester have found that when there is an insufficient number of pitches on the transit site to accommodate the whole unauthorised encampment, the Police have asked one or two families to move to their transit site to ensure that encampments do not remain too large. Otherwise, the Police will not use s62A powers.

The Transit Site Project Proposal

- 3.11 A site has been identified which, subject to planning permission, will be developed into a 10-pitch transit site in 2021-22. The exact location is yet to be confirmed and the timetable for the site's construction will depend on the extent of remediation required as well as the planning process.
- 3.12 The site requires significant expenditure on decontamination, but districts and boroughs are only being asked to contribute to the infrastructure costs as the remediation will be met by SCC.
- 3.13 The Surrey Leaders' Group has agreed that the host authority for the site will not be required to contribute, but the remaining 10 district and borough authorities will be asked to contribute a proportionate share of the construction of the site. The amount requested from each contributing district and borough for the 2021-22 financial year is:
- a one-off contribution of up to £127,000 in capital funding for the construction of the site
 - an annual contribution of £7,500 revenue funding for the maintenance of the site
- 3.14 Subject to Executive approval, this Council has ringfenced within the 2021-22 budget £127, 000 as a capital funding contribution and £7,500 revenue funding for the maintenance of the site.
- 3.15 The transit site will be managed by the SCC Gypsy and Traveller Liaison Team.

4. Key Risks

- 4.1 The development of a county transit site does depend on key remediation works by SCC and a significant financial contribution from the ten districts and boroughs. Subject to Executive approval, this Council has assigned within the budget for 2021-22 our financial contribution and the Surrey Leaders' Group has

indicated that the other ten boroughs and districts will also be making the contribution.

- 4.2 Expectations must be realistic around what one transit site can deliver. Ten pitches will not be enough to solve all of the problems arising from unauthorised encampments in the county during peak season. It is highly likely that the transit site will become full very quickly and the local authority will have to use enforcement powers under sections 77 and 78 of the CJPOA to move encampments on.
- 4.3 A joint protocol of how the transit site will be managed by SCC and the Police is yet to be developed, but it is assumed it will follow the same terms as seen in neighbouring counties. It will be important that all boroughs and districts are consulted on this protocol and have a point of contact within the SCC Gypsy and Traveller liaison team and the appropriate Surrey Police task force.

5. Financial Implications

- 5.1 If agreed by the Executive, this Council will contribute £127,000 in capital funding for the construction of the site and an annual contribution of £7,500 revenue funding for the maintenance of the site.
- 5.2 The Executive is asked to note that there is no budget on the approved or provisional capital programme for this contribution. There is a budget of £115,000 for Traveller encampments remaining on the provisional capital programme (Scheme PL60(p)) which was initially for works to protect some of our parks and open spaces from unauthorised encampments. Works have been undertaken from this fund, but the fund has not been fully spent.
- 5.3 It is recommended that this budget is re-purposed and a small virement of £12,000 is taken from the capital contingency fund to increase the budget to £127,000.
- 5.4 It is further recommended that the provisional budget is transferred to the approved capital programme. As the budget is already within the capital programme there is no additional impact on MRP in the revenue budget.

6. Legal Implications

- 6.1 Local authorities have power to establish transit sites in their area under Section 24 Caravan Sites and Control of Development Act 1960. It is proposed to use the general power of competence under s1. Localism Act 2011 to contribute to the setting up of a site in the county by SCC.

7 Human Resource Implications

- 7.1 There are no Human Resource implications arising from this report. The Joint Environmental Team (JET) will continue to manage the unauthorised encampment protocol on Guildford Borough Council land and liaise with Surrey Police as to the legislation required for enforcement

8. Equality and Diversity Implications

- 8.1 Public authorities are required to have due regard to the aims of the Public Sector Equality Duty (Equality Act 2010) when making decisions and setting policies.
- 8.2 GBC unauthorised encampment protocols require consideration of protected characteristics of the individuals involved, such as Gypsy and traveller status and disabilities and are therefore compliant with the Equality Act 2010.
- 8.3 SCC as part of the process in creating a transit site will undertake all the relevant assessments to ensure their statutory duty under section 149 of the Equality Act 2010 is fulfilled.
- 8.4 There are therefore no direct implications for this Council arising from the establishment of a transit site.

9. Climate Change/Sustainability Implications

- 9.1 It is hoped that the creation of a transit site will help alleviate some of the pressures around environmental impact of unauthorised encampments across the borough.

10 Conclusion

- 10.1 Unauthorised encampments can cause considerable distress to many in the local community. The current powers available to the Police to move encampments on under Section 61 of the CJPOA are not executed often. The Surrey Leaders' Group propose that a transit site within the county – although not the cure to all issues around unauthorised encampments – would be of significant help in managing unauthorised encampments due to it providing the police with extra powers under Section 62A of the Criminal Justice and Public Order Act.
- 10.2 The Executive is asked to agree to this Council's capital contribution of £127,000 for the construction of a county wider transit site and to the annual revenue contribution of £7,500 for the maintenance of the site.

11. Background Papers

None

12. Appendices

None

Executive Report

Ward(s) affected: All

Report of Managing Director

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Date: 16 February 2021

Collaboration by Councils in Surrey

Executive Summary

In 2020, Surrey County Council (SCC) announced that it intended to submit a case for change to central government, with a preferred approach for local government reorganisation in the county being a single unitary council.

The Leaders of the 11 district and borough councils each expressed views on behalf of their councils in relation to SCC's proposal, with the agreed view being that a single unitary model was not supported. It was agreed that the districts and boroughs would collectively explore additional models and options for local government in Surrey. KPMG was commissioned to support this work and its report is attached as Appendix 1.

Following assessment of the options, three preferred structures emerged as being most feasible. Some consensus was reached on the favoured option, which is based on three unitary councils for the county, with one of those councils covering the current boroughs of Guildford, Waverley, and Woking.

As the district and borough councils progressed this work, it became clear that Surrey County Council's proposal would not be agreed by the government as part of a first wave of reorganisation. This also coincided with the delay in the Devolution White Paper from central government. However, it was recognised that the issue of local government reorganisation and unitary councils was likely to be back on the agenda in the medium-term.

The focus of the work with KPMG then changed to explore opportunities for greater collaboration between councils in Surrey. Better joint working was seen as an opportunity to help alleviate the severe financial pressures facing councils and also to demonstrate how this would underpin the preferred model of three unitary councils in the event of any future reorganisation. Eight priority areas were identified as follows:

- new approach to waste
- sharing building control
- IT infrastructure

- shared approach to housing
- standardisation of revenues and benefits
- procurement
- economic development
- shared leisure services

We are keen to take forward opportunities for closer partnership working and are open to discussions with other councils, particularly our neighbours at Woking, Waverley, and Surrey Heath.

The Leaderships of both Guildford and Waverley Borough Councils have already recognised that the report presents a strong case for councils to work together more intensively than before. Continued reduced funding from central government has been compounded by the Covid pandemic to present both councils with a critical medium-term financial challenge. Closer partnership working could bring substantial financial benefits, whilst protecting public services and keeping them local. Options range from a fully integrated staffing structure, or shared services and joint officer posts. The intention is to engage the Local Government Association (LGA) to undertake a high level initial scoping study to determine a rough order of magnitude around potential savings.

This report seeks the views of councillors on future local government structures and opportunities for closer collaboration between councils in Surrey.

The Joint Executive Advisory Board will be considering this report at its meeting on 15 February 2021 and comments arising from that meeting will be provided to the Executive on the Supplementary information Sheet.

Recommendation to Executive

The Executive is invited to consider:

- (a) preferred council structures in Surrey in the light of any future local government reorganisation, including the three unitary council model set out under Option 3(c) of the KPMG report;
- (b) priority areas for closer collaboration identified in the KPMG report;
- (c) the range of options for discussion with Waverley Borough Council on greater partnership working; and
- (d) the proposed engagement of the LGA to undertake an initial scoping study to determine a rough order of magnitude around the potential savings for the various options for collaboration with Waverley Borough Council.

Reason for Recommendation:

To help inform future discussions about local government structures and greater collaboration between councils in Surrey.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1 The report informs councillors about discussions with other Surrey councils on future local government structures in the county and opportunities for closer partnership working. We are seeking views from councillors to help shape the future direction of this work and, at this stage, particularly on much closer partnership working with Waverley Borough Council.

2. Strategic Priorities

- 2.1 Our values state that we will put customers at the heart of what we do by engaging in clear, honest, and meaningful two-way communications and delivering professional services shaped around their needs. Future decisions on local government reorganisation in Surrey would impact on local democratic accountability and the ability to make decisions on priorities based on local knowledge and understanding of those needs.
- 2.2 Our Corporate Plan includes a strategic priority to use innovation, technology, and new ways of working to improve value for money and efficiency in Council services. This specifically refers to developing options for alternative methods of delivery for relevant services, including joint working, shared services, trusts, mutuals, and joint venture companies. Given current financial pressures, opportunities for collaboration with other councils will be a vital part in delivering required efficiencies and maintaining quality of services.

3. Local Government Reorganisation and Collaboration between Councils

- 3.1 As explained in the KPMG report (Appendix 1), Surrey County Council developed proposals in 2020 to create a single unitary council for the county. The eleven district and borough councils were concerned about the democratic deficit in this proposal and the loss of decision-making at a more local level.
- 3.2 The districts and boroughs commissioned KPMG to explore alternative options that reflected a better balance between democratic accountability and economies of scale. Although it became clear during this work that Surrey County Council's submission for a single unitary council would not be taken forward by the government during an initial wave of local government reorganisations, it was agreed that we should continue to assess options to be ready to progress an alternative proposal at the appropriate time.
- 3.3 The options for local government reorganisation in the KPMG report were assessed against criteria (co-created with the councils) based on service delivery, growth, democratic representation and financial benefits and sustainability). A preference emerged for a three unitary council model and there was some consensus around an option (3c) that would see one of those councils based on the current areas of Guildford, Waverley, and Woking.
- 3.4 It seems likely that local government reorganisation will be back on the agenda in the medium-term. Therefore, we are seeking councillors' views on the options,

including the preferred model expressed in 3c, to help guide any future discussions at the relevant time.

- 3.5 Whilst work on the options was completed, the decision that Surrey County Council's proposal would not be progressed did change the focus of the discussions between the district and borough councils to include an exploration of areas for better collaboration.
- 3.6 In the current extremely challenging financial climate, the need to deliver savings through greater economies of scale and less duplication is a primary driver of greater collaboration. However, successful closer partnership working between councils now, could also demonstrate and support the case for a multi-unitary authority model as part of any future local government reorganisation in Surrey.
- 3.7 Collaboration opportunities were identified through workshops, surveys and the views of chief executives and leaders. Although not an exhaustive list, eight priority areas were identified for which business cases would need to be developed to progress, as follows:
- new approach to waste
 - sharing building control
 - IT infrastructure
 - shared approach to housing
 - standardisation of revenues and benefits
 - procurement
 - economic development
 - shared leisure services
- 3.8 We would wish to pursue conversations with other councils on options for better joint working, particularly with our neighbouring authorities at Woking, Waverley and Surrey Heath. Waverley's leadership has also indicated informally that it would wish to undertake early work to investigate the options and benefits and this is discussed further in the next section of the report.
- 3.9 Again, councillors' views are invited on these proposed priorities and opportunities for greater collaboration.

4. Partnership Working with Waverley Borough Council

- 4.1 Despite having made efficiencies and cut costs substantially over the last decade, continued reductions in government funding and the effects of the current pandemic mean that both Guildford and Waverley Borough Councils face critical financial challenges and extremely difficult short to medium-term budget decisions.
- 4.2 The leaders and deputy leaders would like to undertake further work at speed to explore how much closer partnership working between the councils can bring financial benefits at scale to ensure a sustainable future, whilst keeping public services appropriately local. An informal working group comprising the leaders, deputy leaders, chief executives, and a number of senior officers at Guildford and

Waverley Borough Councils have held initial discussions. These will continue in order to assess opportunities and oversee the development of business cases for preferred options.

- 4.3 The expected outcomes of this work are the retention of two separate democratic councils, but with greater sharing of resources and staffing. To make progress, officers will need a clear, early steer from councillors on how to proceed.
- 4.4 There are two broad approaches to the transformation needed to deliver financial savings at scale

Option A: Service-by-Service Business Cases

- 4.5 Services, back office functions and procurement opportunities would be reviewed to produce a set of business cases to set financial targets and deadlines. Selected projects would be implemented as specific shared services, while the rest of the two councils and the management teams remain separate.
- 4.6 Business cases would also explore the preferred operating model for each shared service. For example, whether the services will be managed by one council as lead authority contracting to the other; a joint procurement of a third party contractor; a joined resource with a clear legal agreement on cost/benefit sharing; a new company as a separate legal entity owned jointly by the two councils as shareholders or another model.

Option B: Single Officer Team

- 4.7 A single corporate management team would be established early on to progress the full integration of the officer teams in both councils into one. The single management team would prioritise those areas that will most assist the transformation alongside those with the biggest potential savings. The objective would be to have one shared officer resource working for two separate democratic councils. This would be underpinned by a comprehensive legal agreement and, as with option A, financial targets and deadlines would be set within a business case.
- 4.8 Examples of both these approaches have worked successfully elsewhere for over a decade.
- 4.9 Clearly, further work would be required to develop business cases around preferred approaches to collaboration and associated governance arrangements. The Local Government Association has been invited to support this work and to provide independent input.

5. Consultations

- 5.1 All Surrey leaders, deputy leaders, chief executives and finance directors were involved in the preparation of the KPMG report on local government reorganisation and collaboration between Surrey councils.

- 5.2 The leaders, deputy leaders, chief executives and a number of senior officers at Guildford and Waverley Borough Councils have held initial discussions on greater partnership working between the two authorities as described in this report.

6. Key Risks

- 6.1 It is likely that local government reorganisation will be back on the agenda in Surrey in the medium-term. District and borough councils have identified the loss of democratic representation and more distant decision-making as key risks in that process. The KPMG report goes some way to mitigating this risk by arguing for better, alternative forms of unitary local government in the county.
- 6.2 Greater collaboration between councils offers opportunities to deliver efficiencies and financial savings and, ultimately, help us continue to provide high quality services to our residents. However, the success of these discussions relies on several factors, such as a shared and clear vision for the partnership, support and buy-in by councillors and senior officers and trust between the leaderships.
- 6.3 Without that commitment from each party, much time and work can be spent without delivering the required outcomes. If the benefits of greater collaboration are not realised, we would need to come back with reports for planned spending cuts and service reductions in other areas.
- 6.4 In terms of any specific projects, we would require risk assessments to accompany any business cases for change.

7. Financial Implications

- 7.1 The aspiration to deliver financial savings at scale through much closer working with other councils has been made clear in the report. We would expect the financial implications of any proposals, together with milestones, to be set out in business cases before implementation of any specific project.
- 7.2 We are planning to engage the LGA to support the work with Waverley Borough Council, including peer support, mentoring and an initial high level scoping study. Given that the cost of the KPMG report was less than the £30,000 we allocated, it is recommended that the remaining £15,000 be used to support the development of an options appraisal for further consideration by both councils.

8. Legal Implications

- 8.1 Options raised in the KPMG report on local reorganisation and council collaboration are at an early stage and the legal implications would need to be assessed on a case-by-case basis. There could be scope to progress opportunities to work with Waverley at greater pace and, therefore, the following paragraphs focus on those.
- 8.2 Section 113 of the Local Government Act 1972 allows council officers to work for other councils that are not their employer. This mechanism is straightforward and used widely elsewhere. It is legally possible for councils to share their statutory

officers. Different partnerships have followed varying approaches to have a single staffing resource working for more than one council.

- 8.3 An inter-authority agreement would be the legal contract that underpins the partnership. This would include the objectives, cost/benefit apportionment, governance structures, dispute resolution, and termination and penalty provisions.
- 8.4 In terms of governance and in the event of a move towards a joint officer resource, the two councils and two executives would remain distinct. Some partnerships have established a formal joint committee – whether advisory or with delegated and limited executive authority – and some have also created a joint scrutiny committee. Others have neither and retain all reporting, decision-making and scrutiny separately.

9. Human Resource Implications

- 9.1 Subject to the preferred direction travel, there will be significant human resources implications. Consultation will be required and all relevant staffing policies and procedures followed. The detail would be included in the business cases and timelines for specific projects.

10. Equality and Diversity Implications

- 10.1 There are no equality and diversity implications arising from this report. We would need to screen any specific proposal to determine whether a full equality impact assessment is required.

11. Climate Change/Sustainability Implications

- 11.1 There are no climate change or sustainability implications arising directly from this report. However, climate change, carbon emissions, energy use, waste and recycling and air quality are all areas that should be considered in terms of how they could benefit from a more collaborative approach.

12. Summary of Options

- 12.1 This report seeks the views of councillors on options for the future structure of local government in Surrey and on options for collaboration between councils.

13. Conclusion

- 13.1 The report has discussed work undertaken on preferred future structures for local government in the county and outlined suggested priorities for collaboration between Surrey councils. It suggests that work could progress at greater pace between Guildford and Waverley Borough Councils. We are asking for councillors' views to help shape future discussion on these issues.

14. Background Papers

None

15. Appendices

Appendix 1: Surrey District and Borough Councils: Local Government Reorganisation and Collaboration (KPMG, December 2020)

Surrey District and Borough Councils

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Local Government Reorganisation
and Collaboration

December 2020

Final Draft



Agenda item number: 6
Appendix 1

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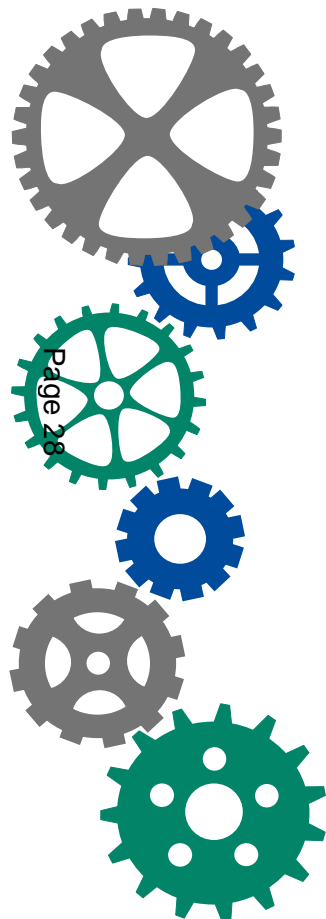


Executive Summary



Context

The District and Borough Councils of Surrey jointly identified the need to explore potential options for Local Government Reorganisation within the County, whilst assessing future opportunities for collaboration within existing structures.



Situation

- Councils are operating in a complex economic, political and policy landscape, with devolution and Local Government Reorganisation proposals being prepared throughout the country.
- The District and Borough Councils were united in their opposition of one single unitary for Surrey.
- National attention remains focussed on the impact of Covid-19, Brexit and climate change.
- Councils have ongoing challenges with the 'levelling up' agenda, health and social care integration, ongoing financial pressures and the need to deliver greater digitisation.
- Surrey are also facing a number of cross-cutting challenges, including an aging population, areas of economic decline, congestion, affordable housing, health inequalities and increasing demand for services.
- Councils must deliver quality service improvements for their local communities.

Changing Context

- Early in 2020, the County Council, independent of the District and Borough Councils, indicated it's desire to explore options for Local Government Reorganisation within Surrey. The County Council expressed that a single unitary within Surrey was their preferred option.
- Central Government indicated that the Surrey proposals would not be agreed in the first wave of reorganisation.
- It was agreed that greater collaboration between the Councils would support the case further and help to alleviate financial pressures.
- There remain ongoing challenges of financial sustainability and a desire to further improve outcomes for residents, the District and Borough Councils feel that collaboration will support them to address these challenges

Questions: What could Surrey District and Borough Councils do in order to be best placed for future potential Local Government Reorganisation? How will financial and organisational resilience be improved through collaboration?

Why assess LGR options and collaboration?

A number of issues are driving the need for an assessment of LGR options and opportunities.

Why assess Local Government Reorganisation options?

Surrey County Council signalled their intent to submit a Case for Change to Central Government, presenting their preferred option for Local Government Reorganisation (LGR) as a single Surrey unitary. As a result, the District and Borough Councils commenced discussions with MHCLG to understand their position in relation to the outline assessment of potential options. It was anticipated that in time, the County would be invited to submit their own proposal for LGR within Surrey, and the District and Borough Councils wanted to understand potential routes forward.

Following a number of changes, including the delay of the anticipated Devolution White Paper from Central Government and letters of invitation in October to three Counties for LGR, there has been ongoing uncertainty around the timescales for LGR. Central Government have indicated that any proposals for Reorganisation would require broad agreement across Local Government and communities.

Although the White Paper has been delayed, it is still expected that Local Government Reorganisation and unitary authorities will be back on the table in the medium-term in Surrey.

The eleven Surrey District and Borough Councils were mindful of the potential democratic deficit residents might experience as a result of the reduction in number of representatives in a single County unitary solution. They, also, recognise the potential loss of 'place' and 'belonging' for local residents in such a model. They wished, therefore, to be ready to progress an alternative proposal if / when the time comes.

Why collaborate across the Surrey District and Borough Councils?

Collaboration between the District and Borough Councils will help to enable the delivery of better outcomes for residents. At the highest level, this would be through sharing knowledge, intelligence and best practice.

There is also a strong precedent from other examples of collaboration between local authorities in the UK that it can deliver financial savings where appropriate through greater economies of scale, reducing duplication and finding more efficient ways of working.

The District and Borough Councils in Surrey vary in size. The organisations have explored whether collaboration would provide greater resilience through enabling a larger pool of joint resources and expertise and an ability to respond to external events more quickly.

Further, collaboration can be a driver to redefine the relationship with the County Council by delivering more services locally where appropriate and through establishing more equal partnership working.

Finally, collaboration can be used as a tool to prepare for potential reorganisation. This can be achieved by focusing some collaboration in clusters based on potential unitary footprints, reducing future reorganisation complexity and demonstrating the benefits and potential of local partnership working. Should there be a requirement to submit a Case for Change in future, the District and Borough Councils have explored the options and the implications of those.

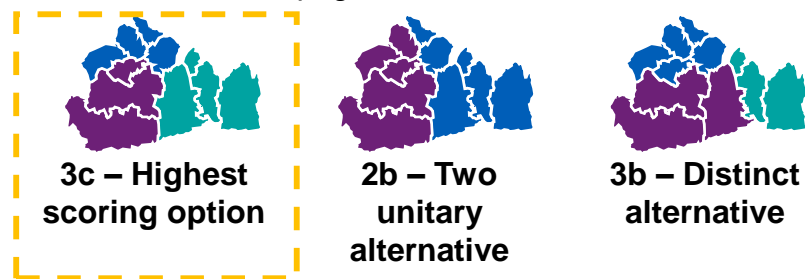
What could the District and Borough Councils do next?

What could Surrey District and Borough Councils do in order to be best placed for future potential Local Government Reorganisation? How will financial and organisational resilience be improved through collaboration?

What could Surrey District and Borough Councils do in order to be best placed for future potential Local Government Reorganisation?

Following the assessment of feasible options for LGR within Surrey, created in line assessment criteria co-created with the District and Borough Councils, councils could explore the prioritised list of feasible options further. The highest scoring option, 3C, could be examined alongside at least two other options in order to assess Council and public appetite for reorganisation and suitable form within Surrey.

Further details set out on page 7.



What could Surrey District and Borough Councils do in order to increase financial and organisational resilience through collaboration?

The Councils could develop a coherent programme of work in order to prioritise and progress eight priority collaboration opportunities, which cover a range of service areas and were identified through joint working between the District and Borough Councils. This will enable the Councils to foster closer working relationships across a range of service delivery footprints, improve resilience, and deliver savings.

Further details set out on page 8.

What could Surrey District and Borough Councils do next?

To build on the foundation of exploring options together, it is recommended that ongoing progress is made against both the assessment of potential options for LGR and delivery of identified collaboration opportunities between the Councils.

Council and public engagement on LGR, alongside further deep dives into services potentially impacted by reorganisation (e.g. Waste and Children's services), will provide the Councils with an additional layer of preparation for future reorganisation challenges.

Collaboration opportunities could be assigned to delivery owners, being taken forwards by project officers who will ultimately be accountable to all the Councils for the delivery of collaboration across Surrey. The eight identified opportunities have a number of potential strategic and tactical next steps, which could be explored to deliver quick wins to prove the concepts of collaboration, as well as gain executive and political buy-in.

Successful collaboration will be dependent on the right conditions, including trust between parties. It can be agnostic of form.

Local government reorganisation

There are a number of potential feasible options for LGR in Surrey, with a number of potential unitary options that have been explored. This outlines the approach to considering and selecting LGR options.

- An agreed list of selection criteria has been weighted in order to deliver an options assessment of feasible permutations for reorganisation in Surrey.

Page 14-17

- The options assessment resulted in a highest scoring option, and a number of high scoring alternatives. These were reviewed within a workshop to assess the strengths and challenges of each option.

Page 18-19

- This resulted in three selected options:
 - 3c – Highest scoring option.
 - 2b – Two unitary alternative.
 - 3b – Distinct alternative.

Page 20-22

- There are a number of questions which require further consideration and next steps to address over the coming months.

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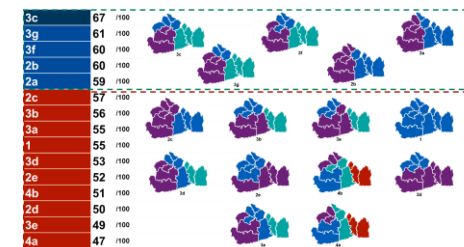
Evaluation categories

Service delivery

Democratic Representation

Growth

Financial benefits and sustainability



3c – Highest scoring option



2b – Two unitary alternative



3b – Distinct alternative

Questions to consider

- What would the potential impact of this model be on health and social care integration?
- What impact would a three unitary model have on economies of scale?
- How do we ensure local knowledge / information is not lost from a three Unitary model?
- Do the benefits outweigh the current state? If so, do we progress now with LGR?
- How do we engage with the County Council on our preferred model?
- How do we address major strategic issues for the County and Externally in a Unitary world?
- How do we increase local representation, what layers are required below a Unitary?

Next Steps

- Council and Public consultation on potential options for LGR;
- Further investigation of proposed options to supplement analysis on key areas (e.g. health and social care);
- Engagement with the County Council to consider options collaboratively;
- Exploration of potential collaboration opportunities to address ongoing Council challenges;
- Engagement with Central Government on timelines for potential LGR within Surrey.

Collaboration

Councils should develop a coherent programme in order to progress the eight key collaboration opportunities, foster closer working relationships, improve resilience, and deliver savings.

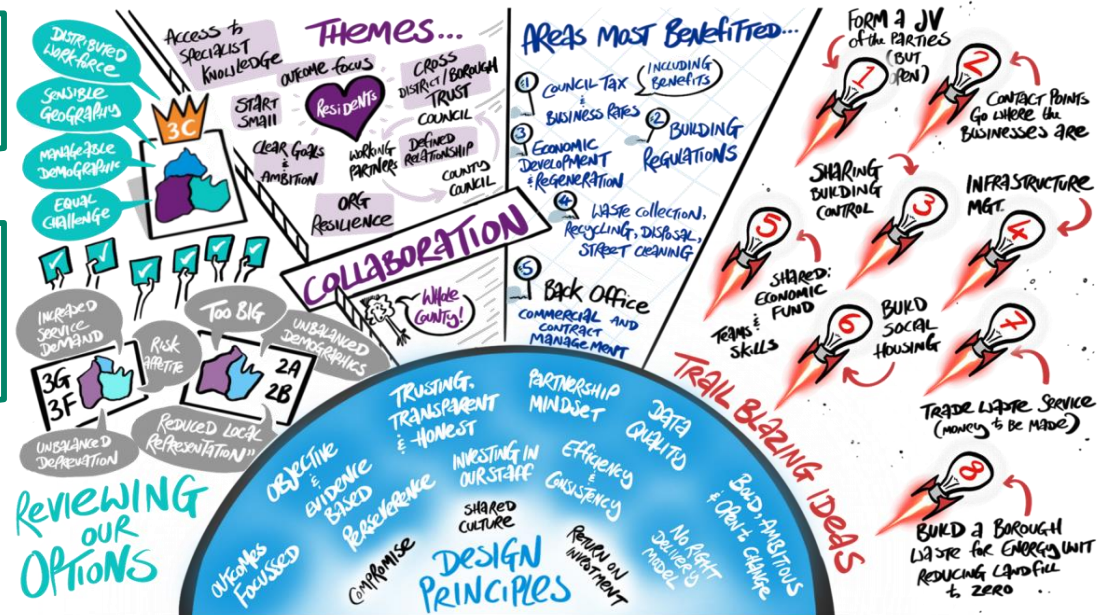
• Collaboration was explored with the Councils to better understand the potential feasibility of work within Surrey and the need to collaborate. **Page 25-28**

• The current footprint of collaboration across Surrey was assessed to understand current relationships. Joint working themes were developed into a set of Design Principles for collaboration within Surrey. **Page 29-31**

• Collaboration opportunities were identified through a selection processes that involved both workshop engagement, surveys, and direction from Chief Executives and Leaders to identify eight priority areas for collaboration. This is not an exhaustive list, and would be subject to developing business cases:

- New approach to Waste
- Sharing Building Control
- IT infrastructure
- Shared approach to Housing
- Standardisation of Revenue & Benefits
- Procurement
- Economic Development
- Shared Leisure Services

Page 32-57



• There are series of next steps and requirements in order to deliver collaboration and continue this work. **Page 58**

Conclusions and next steps

It is recommended that momentum is maintained across both strands of work, focussing on driving forward the delivery of collaboration opportunities, whilst continuing to explore LGR options to prepare for future changes.

What could Surrey District and Borough Councils do next?

It is recommended that ongoing progress is made against both the assessment of potential options for LGR and delivery of identified collaboration opportunities between the Councils.

Council and public engagement on LGR, alongside further deep dives in to the elements of service provision that are currently delivered by the County Council (for example, Children's Services), will provide the Councils with an additional layer of preparation for future reorganisation opportunities. Work that is completed now to help align the efforts of the Councils will be influential and beneficial for any future potential LGR, regardless of outcome. We understand that potential changes as a result of LGR have been delayed, and will likely return in the future.

Collaboration as a basis for working will help improve the resilience of the District and Borough Councils, as resilience continues to become an ever increasing pressure for the Councils across the Country. All councils have agreed to respond to the scale of this challenge, and this should be used to make significant progress in this area.

Progressing opportunities

A series of detailed next steps for each of LGR and collaboration are detailed on pages 60-63, however, they should not be viewed in isolation. Collaboration on a footprint aligned to potential future structures would facilitate accelerated progress with fewer parties involved. It can also help to align activities and strengthen a potential future case for LGR as arrangements would be aligned on a proposed footprint.

Collaboration opportunities could be assigned to delivery owners, being taken forwards by project officers (capitalising on the existing forum that has been set up). They would be responsible for progressing a programme of collaboration across Surrey, with senior political and managerial oversight by Leaders and Chief Executives. The eight identified opportunities have identified next steps. Some of these elements would deliver quick wins to prove the concept of collaboration, as well as gain public and political buy-in. Other elements are, by their nature, longer term and strategic but will create significant impact.

There is no assumption that one form of collaboration is right for Surrey, this may be specific to opportunity, and the right delivery model may not need to be agreed at the outset to secure gains. Successful collaboration will be dependent on the right conditions, including trust between parties.

Conclusion

It is recommended that momentum is maintained across both strands of work in the short term, with a focus on driving forward collaboration opportunities whilst maintaining awareness and foresight in relation to any future LGR. Some collaboration opportunities can be delivered in a short timescale, to demonstrate effective collaboration within Surrey, and others may need to be delivered over a longer timescale due to infrastructure and operating structures. The scale of challenge from Central Government, both financially and in relation to potential structural changes, is significant, however the District and Borough Councils should remain ambitious and continue the good work they are completing in response to this challenge.

Background, scope and approach

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Purpose of this report

This document forms a summary of the analysis that the Surrey District and Borough Councils have completed to explore the feasible options for LGR. This report also contains an assessment of feasible options to foster greater collaboration between the Councils.

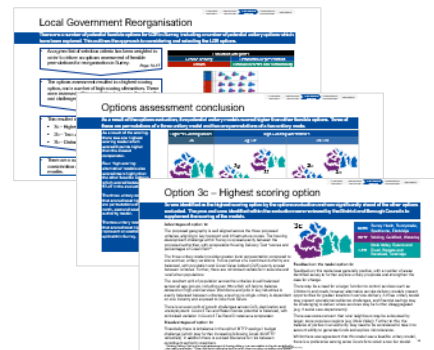
This document has been prepared through collaboration with the eleven District and Borough Councils across Surrey. Significant engagement with senior stakeholders across the Councils has been undertaken.

The objectives of this report are to:

- Assess feasible options for LGR within Surrey, and propose options for further investigation.
- Identify opportunities for collaboration, and outline key next steps.

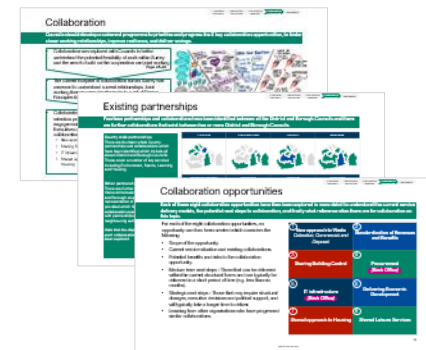
This report is structured in to three key sections, reflecting the order in which the work was undertaken:

1 LGR – Options Analysis (Pages 13-23)



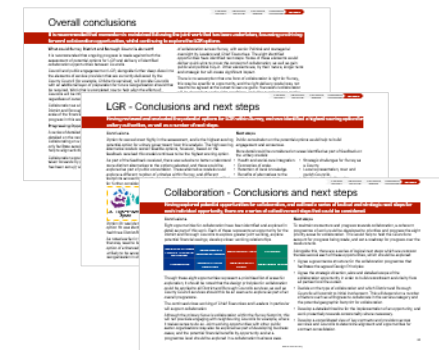
Analysis of potential options for LGR, including: outlining the approach to assessment, long and short lists of options, recommended options and next steps.

2 Collaboration Opportunities (Pages 24-58)



Assessment of potential options for collaboration in Surrey, including: principles for collaboration, priority opportunities including detail, and proposed tactical and strategic next steps.

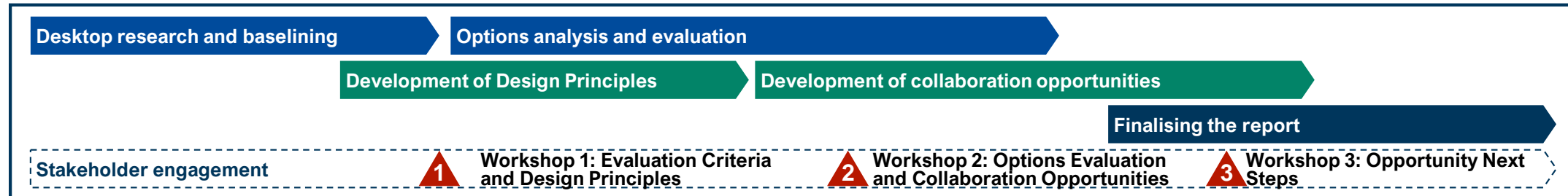
3 Next Steps (Pages 59-63)



A proposed approach to further explore LGR and collaboration in Surrey.

Project approach

Developing this document has included a balance of independent analysis and stakeholder engagement with senior stakeholders from across the eleven District and Borough Councils of Surrey. The following approach was used to develop the options for LGR and opportunities for collaboration:



Desktop research and baselining

Work has been underpinned by desktop research and analysis. This has been informed by publicly available data, alongside additional information requested from District and Borough Councils.

Options analysis and evaluation for LGR

A longlist of options were identified and assessed using qualitative and quantitative criteria agreed during Workshop 1. These options were then scored, down-selected and presented back as part of Workshop 2 to gather input and challenge to the appraisal. One option, '3C', was the highest scoring option from this analysis, however, there was a desire to explore alternatives to this model during consultation with the Councils and Citizens.

Development of Design Principles

In order to facilitate and direct efforts around collaboration, a series of Design Principles for collaboration were co-created as part of Workshop 1. These were used to guide future opportunity work.

Development of collaboration opportunities

Opportunities were explored in Workshops 2 and 3, to identify opportunities, explore the current state of activities, and outline potential tactical and strategic next steps. As part of this work, a number of stakeholders were engaged and opportunity cards were created for each of the eight prioritised opportunities.

Local Government Reorganisation Options Analysis

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Local Government Reorganisation – status

This piece of work forms an initial exploration of the potential options for reorganisation within Surrey, including an initial evaluation of options against expected Government priorities. It is recognised that an initial prioritisation of these options has not been developed with consensus, and as such there is further work required to explore LGR options for Surrey.

Status of LGR options analysis

This work forms an initial exploration of the potential options for LGR within Surrey, from the viewpoint of the District and Borough Councils. As part of this work we have:

- Developed a series of personalised evaluation criteria, which not only align to Central Government expectations, but also weight the criteria based on importance to the District and Borough Councils.
- Identified and evaluated a long-list of feasible options for LGR within Surrey, justified by supporting analysis for the dimensions.
- Explored the pros and cons of the highest scoring models, including consulting Chief Executives and Leaders on the options presented.
- Defined a series of next steps required in order to produce a full Case for Change document.

It should be noted that we have not explored the acceptance of these models with the District and Borough Councils, and that we have not gathered consensus on a preferred model. This work has not evaluated 'status quo' as a comparative option as this would not be a feasible option within a Case for Change document. Furthermore, some District and Borough Councils would be keen to continue to explore enhanced two tier arrangements, supported by the delivery of improved collaboration and cooperation.

Accelerated next steps for LGR options analysis

There is recognition that the topic of LGR has not gone away, with some geographies across the Country continuing to explore Cases for Change without formal invitations from Government. Therefore, in anticipation of a Whitepaper on Devolution, and the potential for a County Council Case for Change, there are a number of accelerated next steps that would ensure that the District and Borough Councils are best placed to respond to a request from Central Government:

- **Public consultation** – Public support on the proposed option for LGR within Surrey will be key to the selection process, and as such early public consultation on this topic will help align citizen, Elected Member and executive views.
- **County functions** – District and Borough Councils could consider how to work with County exploring how services could be controlled or delivered.
- **Local representation** – A key topic for members and citizens will continue to be how unitaries impact local representation. As such models could be explored to ensure local representation is preserved in any future model for unitary government within Surrey.

Detailed next steps are outlined on page 23.

Context for Local Government Reorganisation

The Government has set a clear expectation that two-tier local authority structures are likely to be a thing of the past. Nationally, there has been a shift to larger unitary authorities, greater devolution, bringing additional funding opportunities. There are a number of factors driving the need for Surrey District and Borough councils to explore options for Local Government Reorganisation.

Why assess Local Government Reorganisation options?

Surrey County Council signalled their intent to submit a Case for Change to Central Government, presenting their preferred option for Local Government Reorganisation (LGR) as a single Surrey unitary. As a result, the District and Borough Councils commenced discussions with MHCLG to understand their position in relation to the outline assessment of potential options. It was anticipated that in time, the County would be invited to submit their own proposal for LGR within Surrey, and in response the District and Borough Councils wanted to prepare their own assessment of the potential routes forward.

Following a number of changes, including the delay of the anticipated Devolution White Paper from Central Government and letters of invitation in October to three Counties for LGR, there has been ongoing uncertainty around the timescales for LGR. Central Government have indicated that any proposals for Reorganisation would require broad agreement across Local Government and communities.

Although the White Paper has been delayed, it is still expected that LGR and unitary authorities will be back on the table in the medium-term in Surrey.

The eleven Surrey District and Borough Councils were mindful of the potential democratic deficit residents might experience as a result of the reduction in number of representatives in a single County unitary solution.

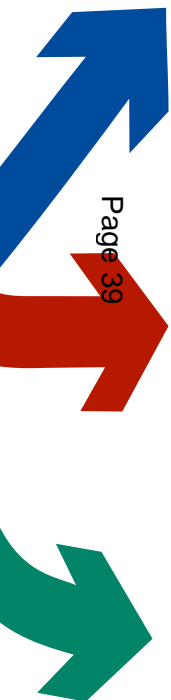
They, also, recognise the potential loss of 'place' and 'belonging' for local residents in such a model. They wished, therefore, to be ready to progress an alternative proposal if / when the time comes.

What will this section explore?

This section details the work that has been completed to assess potential options for LGR within Surrey. As part of this work, a number of workshops and engagement sessions with Chief Executives and Leaders of each of the eleven District and Borough Councils were held in order to better understand the local context for LGR across Surrey.

This section will outline the assessment criteria used to evaluate potential options, the long and short list of options and how feasible options were down-selected, and conclusions from the assessment.

It should be noted that a key criteria that has not been explored as part of this work is 'public engagement'. Ensuring there is sufficient public awareness and buy-in to any potential option for LGR will be key to the success of a Case for Change. As such, it is imperative that the District and Borough Councils explore public engagement on the options being put forward in this report.



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Agenda item number: 6
Appendix 1

Local Government Reorganisation

There are a number of potential feasible options for LGR in Surrey, including a number of potential unitary options which have been explored. This outlines the approach to considering and selecting the LGR options.

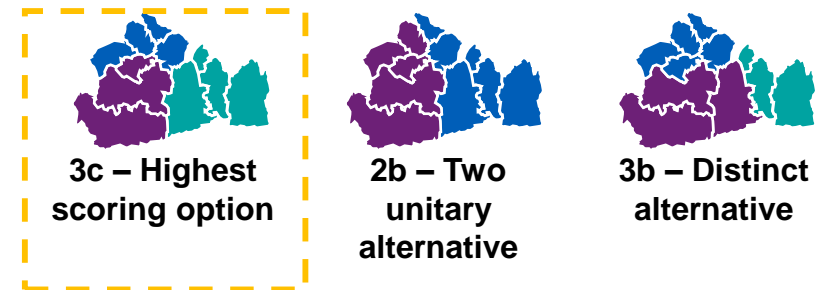
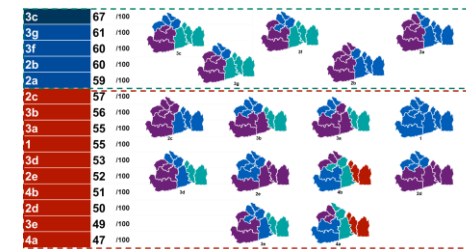
- An agreed list of selection criteria has been weighted in order to deliver an options assessment of feasible permutations for reorganisation in Surrey. *Page 14-17*

- The options assessment resulted in a highest scoring option, and a number of high scoring alternatives. These were reviewed within a workshop to assess the strengths and challenges of each option. *Page 18-19*

- This resulted in three selected options :
 - 3c – Highest scoring option.
 - 2b – Two unitary alternative.
 - 3b – Distinct alternative.*Page 20-22*

- There are a number of questions which require further consideration and next steps to address over the coming months. *Page 23*

Evaluation categories	
Service delivery	Democratic Representation
Growth	Financial benefits and sustainability



Questions to consider	Next Steps
<ul style="list-style-type: none"> What would the potential impact of this model be on health and social care integration? What impact would a three unitary model have on economies of scale? How do we ensure local knowledge / information is not lost from a three Unitary model? Do the benefits outweigh the current state? If so, do we progress now with LGR? How do we engage with the County Council on our preferred model? How do we address major strategic issues for the County and Externally in a Unitary world? How do we increase local representation, what layers are required below a Unitary? 	<ol style="list-style-type: none"> Council and Public consultation on potential options for LGR; Further investigation of proposed options to supplement analysis on key areas (e.g. health and social care); Engagement with the County Council to consider options collaboratively; Exploration of potential collaboration opportunities to address ongoing Council challenges; Engagement with Central Government on timelines for potential LGR within Surrey.

Evaluation criteria detail

Outlined below are the four key evaluation criteria categories that were used to assess potential options for LGR within this report. The scoring has been weighted depending on the significance attributed to each evaluation criteria by the District and Borough Councils.

Why do we use evaluation criteria?

Evaluation criteria enables a more structured, objective approach to options appraisal. The evaluation criteria categories have been defined and applied based on:

- An expectation of the Central Government evaluation requirements in a LGR Case for Change.
- The District and Borough Councils' priorities for reorganised local government.

How did we use evaluation criteria?

1. Evaluation criteria were agreed and an appropriate weighting applied based on the relative significance as viewed by District and Borough Councils.
2. The criteria have been applied to each of the options.
3. The results of the applied evaluation resulted in a ranked list of options.

Supporting each evaluation criteria, there are a number of agreed sub-categories, tailored and individually assessed for Surrey. This has resulted in a set of assessment criteria that evaluate the potential options based on the requirements of the District and Borough Councils.

Service delivery	Service improvement	Growth	Economic growth potential	
	Geography for service delivery		Clean economic growth	
	Minimal service disruption		Inclusive economic growth	
	Democratic representation	Manageable demographics and demand	Financial benefits and sustainability	Enables a future Combined Authority
		Partnership working		Long term financial benefits
		Housing development provision		Costs of reorganisation
		Capacity and resilience		Reorganisation complexity
Workforce		Level of Council tax equalisation		
Effective local representation		Income potential		
Identity and functional economic geography	Reserves			
Representation within a Combined Authority	Organisational sustainability			

Approach: Selecting the highest scoring option

In order to identify the most appropriate model for LGR, a long-list of options were identified that reflect the current geographic areas of Surrey. These options were systematically down-selected, assessed against selection principles and evaluation criteria, and led to a highest scoring model of LGR within Surrey.

Initial long-list

A long-list of 24 possible options for LGR was initially identified, based on feasible permutations of the eleven District and Borough Councils within Surrey, for between 1-4 unitary authorities within the County.

In order to identify the initial list, selection principles were used to bound the range of feasible options. At this stage the District and Borough Councils also put forward an alternative two tier model of local government, which is not explored within this assessment, but remains an area that some Councils wish to explore. The unitary options that were included on the long list were based on the following criteria, that they:

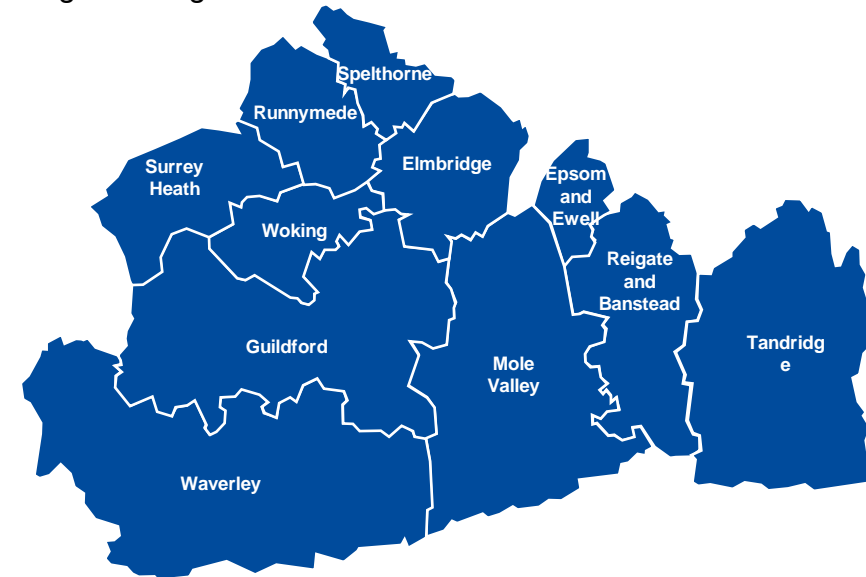
- Reflect the current geographic area of Surrey (i.e. do not involve authorities outside of Surrey and include all authorities within Surrey).
- Ideally include only contiguous geographic areas (i.e. no part of proposed authority areas can be isolated).
- Reflect combinations of existing district boundaries (i.e. does not require new boundaries to be drawn).
- Avoid any future unitary authorities with a population of less than 200,000.

Note: Following communication from Central Government, no maximum population size was identified within criteria and potential populations will be based on the circumstances of an authority. However, an indicative aggregate population range of 300-600k has been provided.

Discounted options

Following identifying the long-list, a number of additional selection principles were included to narrow down the feasible options. These additional principles explored additional detail communicated from Central Government: that unitary authority population size should be over 300k and unitary authority footprints should be contiguous.

This resulted in 15 options forming the feasible short-list to be assessed using the identified evaluation criteria. Each of these options represented a feasible geography and scale for unitary authorities within Surrey. All evaluation criteria were scored on a scale of 1-5, weighted, and then a total score calculated. This led to a highest scoring model from the evaluation, and four 'high scoring alternatives'.



Options assessment conclusion

As a result of the options evaluation, five potential unitary models scored higher than other feasible options. Three of these are permutations of a three unitary model and two are permutations of a two unitary mode.

As a result of the scoring, there was one highest scoring model which scored 6 points higher than the closest comparator.

Four 'high scoring alternative' models also scored more highly than the other feasible options which scored between 57-47 in the evaluation.

The three unitary models that scored most highly are permutations of a north, east and west authority model.

The two unitary models that scored most highly represent an east/west split within Surrey.

	Highest Scoring Model	High Scoring Alternatives			
	3c	3g / 3f		2b / 2a	
Score	67/100	61/100	60/100	60/100	59/100
U1 Popn.	Surrey Heath, Runnymede, Spelthorne, Elmbridge 414k / 35%	Runnymede, Spelthorne, Elmbridge 326k / 27%	Woking, Runnymede, Spelthorne, Elmbridge 427k / 36%	Elmbridge, Mole Valley, Epsom & Ewell, Reigate & Banstead, Tandridge 655k / 55%	Spelthorne, Elmbridge, Mole Valley, Epsom & Ewell, Reigate & Banstead, Tandridge 555k / 46%
U2 Popn.	Waverley, Guildford, Woking 376k / 31%	Waverley, Guildford, Woking, Surrey Heath 465k / 39%	Waverley, Guildford, Surrey Heath 365k / 30%	Waverley, Guildford, Woking, Surrey Heath, Runnymede, Spelthorne 542k / 45%	Waverley, Guildford, Woking, Surrey Heath, Runnymede 641k / 54%
U3 Popn.	Mole Valley, Epsom & Ewell, Reigate & Banstead, Tandridge 405k, 34%	Mole Valley, Epsom & Ewell, Reigate & Banstead, Tandridge 405k / 34%	Mole Valley, Epsom & Ewell, Reigate & Banstead, Tandridge 405k / 34%	-	-

Option 3c – Highest scoring option

3c was identified as the highest scoring option by the options evaluation and was significantly ahead of the other options evaluated. The pros and cons identified within the evaluation were reviewed by the District and Borough Councils to supplement the scoring of the models.

Advantages of option 3c

The proposed geography is well aligned across the three proposed unitaries, aligning to key transport and infrastructure routes. The housing development challenge within Surrey is spread evenly between the proposed authorities, with comparable Housing Delivery Test *scores and percentages of Green Belt**.

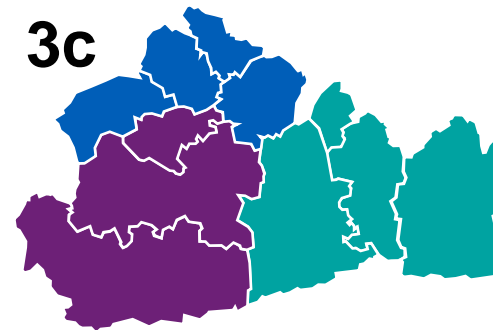
The three unitary model provides greater local representation compared to one and two unitary variations. Future parties of a Combined Authority are balanced, with population and Gross Value Added (GVA) evenly spread between unitaries. Further, there are minimised variations in area size and rural/urban populations.

The resultant split of population across the unitaries is well balanced across all age groups, including over 65s which will help to balance demand on high-cost services. Workforce and jobs in key industries is evenly balanced between unitaries, ensuring no single unitary is dependent on one industry and exposed to risks from failure.

There is an even split of growth challenges across GVA, deprivation and unemployment. Council Tax and Rates income potential is balanced, with minimised variation in Council Tax Band D rates as a comparator.

Disadvantages of option 3c

Financially there is imbalance in the split of MTFP savings / budget challenge (which may further increase following Covid-19 MTFP refreshes). In addition there is a mixed tolerance for risk between constituent authority members.



North	Surrey Heath, Runnymede, Spelthorne, Elmbridge
West	Woking, Guildford, Waverley
East	Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge

Feedback on the model option 3c

Feedback on this model was generally positive, with a number of areas identified as key to further explore unitary proposals and strengthen the case for change.

There may be a need for a larger function to control services such as Children's and roads, however alternative service delivery models present opportunities for greater localism in service delivery. A three unitary model may present operational resilience challenges, and financial savings may be challenging to deliver where services may be further disaggregated (e.g. 3 social care departments).

There was some concern that rural neighbours may be subsumed by larger, more populous regions (e.g. Mole Valley). Further to this, the balance of parties in an authority may need to be considered to take in to account ability to generate funds and explore risk tolerance.

Whilst there was agreement that this model was a feasible unitary model, there is a preference among some Councils to retain a two tier model. 20

*Housing Delivery Test is an annual measurement of housing delivery in an area relative to the plan as defined by plan making authorities. **Green Belt land is defined as land for which there is a policy controlling urban growth. Draft for discussion only

Options 3g/3f – Alternatives (3 unitary models)

In addition to the highest scoring unitary model, there were a number of high scoring alternatives which were explored, two of which were three unitary models. The pros and cons identified within the evaluation were reviewed by the District and Borough Councils to supplement the scoring of the models.

Advantages of option 3g/3f

The proposed geography is well aligned across the three proposed unitaries, aligning to key transport and infrastructure routes. The housing development challenge within Surrey is spread evenly between the proposed authority, with comparable Housing Delivery Test scores and percentages of Green Belt.

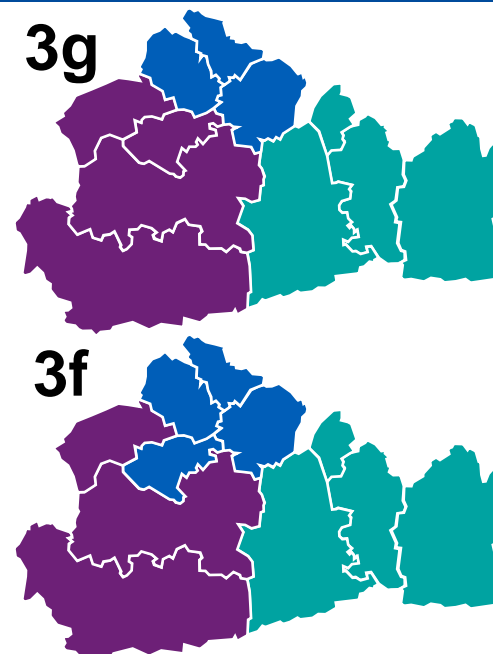
The three unitary model provides greater local representation compared to one and two unitary variations. Future parties of a Combined Authority are balanced, with population and Gross Value Added (GVA) evenly spread between unitaries.

There is an even split of growth challenges across GVA and unemployment.

Disadvantages of option 3g/3f

There is increased variation in population, area size, population density and Indices of Multiple Deprivation (IMD) compared to option 3c.

Financially there is imbalance in the split of MTFP savings / budget challenge (which may further increasing following Covid-19 MTFP refreshes). In addition, there is a mixed tolerance for risk between constituent authority members.



North	Runnymede, Spelthorne, Elmbridge
West	Surrey Heath, Woking, Guildford, Waverley
East	Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge

North	Woking, Runnymede, Spelthorne, Elmbridge
West	Surrey Heath, Guildford, Waverley
East	Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge

Feedback on option 3g/3f

Overall options 3g/3f were viewed as similar to option 3c, however, lesser permutations based on more imbalance of population challenges, density and IMD.

There was a recognition that there could be future engagement on these options to take views from residents to determine which model(s) generate public support.

Options 2b/2a– Alternatives (2 unitary models)

In addition to the highest scoring unitary model, there were a number of high scoring alternatives which were explored, two of which were two unitary models. The pros and cons identified within the evaluation were reviewed by the District and Borough Councils to supplement the scoring of the models.

Advantages of option 2b/2a

The resultant split of population across the unitaries is well balanced across all age groups, including over 65s which will help to balance demand on high-cost services.

The size of the proposed unitaries are of sufficient organisation size and capacity to improve organisational resilience.

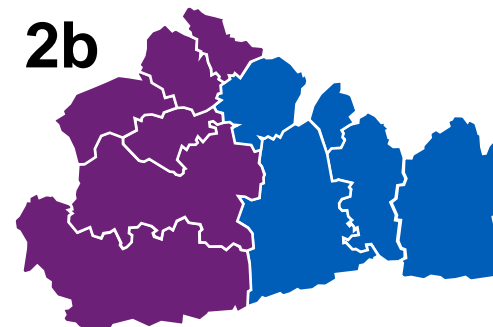
Future parties of a Combined Authority are balanced, with population and Gross Value Added (GVA) evenly spread between unitaries. Further, there are minimised variations in area size and rural/urban populations.

There is an even split of growth challenges across GVA, deprivation and unemployment. Further to this there is greater alignment of risk tolerance between constituent authorities.

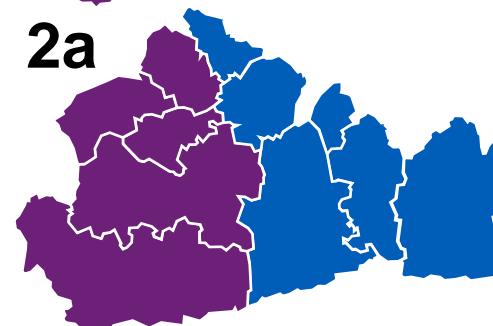
Disadvantages of option 2b/2a

There is a challenging geography for service delivery based on both size and geographic shape, and limited alignment of existing service delivery boundaries and other bodies influencing the economy within Surrey (e.g. the LEP).

There is variance in the ability to meet housing development quotas as per the Housing Delivery Test, with one unitary falling significantly behind the other in delivery (70%:99%). Most importantly, there is reduced local representation compared to a three unitary model.



East	Elmbridge, Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge
West	Waverley, Guildford, Woking, Surrey Heath, Runnymede, Spelthorne



North	Spelthorne, Elmbridge, Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge
West	Waverley, Guildford, Woking, Surrey Heath, Runnymede

Feedback on option 2b/2a

The most significant factor for these models was the reduced local representation, which is viewed as key differentiator to the District and Borough Councils exploratory work for unitary authorities. The large geographic footprint will continue to be a challenge for service delivery and communities are unlikely to identify with these areas.

There was recognition that operations could be more resilient, deliver economies of scale and as such financial savings may be easier to achieve.

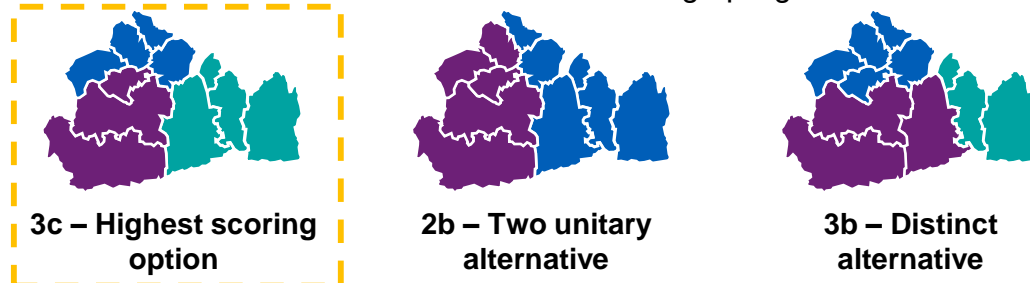
Conclusions and next steps

Having reviewed and evaluated the potential options for LGR within Surrey, we have identified a highest scoring option for unitary authorities, as well as a number of next steps.

Conclusions

Option 3c scored most highly in the assessment, and is the highest scoring potential option for unitary government from this analysis. The high scoring alternative models remain feasible options, however, based on the feedback received this model continues to be the highest scoring option.

As part of the feedback received, there was a desire to better understand more distinct alternatives to the options selected, and these could be explored as part of public consultation. These alternative models could explore a different number of unitaries within Surrey, and different footprints across the County. As such, three models have been identified for further consideration should a case for change progress:



Option 2b was identified as the highest scoring two unitary model, and option 3b was identified as the highest scoring three unitary model which had three District/Borough Councils in an East authority.

As noted earlier in this section, an alternative that has been put forward that may need to be considered by the District and Borough Councils is the option of enhanced two tier government. However, it is noted that this is unlikely to be accepted within a LGR Case for Change due to no reorganisation in structural form.

Next steps

Public consultation on the potential options would help to build engagement and consensus.

More detail could be considered on areas identified as part of feedback on the unitary models:

- Health and social care integration.
- Economies of scale.
- Retention of local knowledge.
- Benefits of alternatives to the status quo / current state.
- County Council engagement.
- Strategic challenges for Surrey as a County.
- Local representation, town and parish Councils.
- Working with neighbouring authorities outside of Surrey.

It is recommended that the following steps are explored:

1. Council and public consultation on potential options for LGR.
2. Further investigation of proposed options to supplement analysis on key areas (e.g. health and social care).
3. Engagement with the County Council, where appropriate, to consider options collaboratively.
4. Exploration of potential collaboration opportunities to address ongoing Council challenges.

Regardless of the options being explored, the District and Borough Councils have acknowledged the need and desire to explore collaboration in more detail, and this is explored in the next section.

Collaboration Opportunities



Agenda item number: 6
Appendix 1

Collaboration opportunities – status

With ongoing financial and organisational challenges, collaboration was identified as a route through which the Councils could address a number of critical factors. Collaboration not only presents the opportunity for savings and service improvements, but also facilitates future joint working in support of potential LGR.

Status of collaboration opportunities

This work formed an introductory investigation into collaboration between District and Borough Councils. As part of this assessment we have:

- Documented the current state of collaboration across Surrey, understanding what has worked well and what hasn't worked well.
- Identified and refined a list of feasible opportunities for collaborative working, prioritising the opportunities to select eight key areas for further exploration and development.
- Explored each of the prioritised areas in more detail, identifying key next steps and implementation challenges.
- Defined facilitating next steps which will support collaboration between District and Borough Councils in all forms.

This work has not explored all collaboration opportunities, and has only identified detail for eight opportunities selected by Chief Executives and Leaders. Further, the detail provided does not form a business case for each opportunity, and work is required to turn each opportunity card into an appropriate business case. In addition, there may well be further benefit from strategic and management alignment that will deliver further benefit. Finally, though the main driver for collaboration is currently financial benefits and service improvements, collaboration presents an opportunity to show the maturity of District and Borough Councils in

service delivery, and collaboration on agreed footprints aligned to a Case for Change could strengthen any future proposals.

Accelerated next steps for collaboration opportunities

Collaboration can be explored regardless of the context around LGR. As such, there are immediate next steps which would maintain momentum and accelerate the delivery of benefits:

- **Programme structure** – Appropriate governance and an agreed programme should be stood up to continue work on collaboration, engaging key parties from all Councils on an ongoing basis.
- **Opportunity Business Cases** – The opportunity cards which have been developed should be utilised as a basis for a business case for each opportunity. These should be strengthened with detailed scope, involved parties, and financial benefits which are accepted by the Councils involved.
- **Strategic direction** – Strategic direction from Chief Executives and Leaders should be gathered for key collaboration opportunities. This should be developed through facilitated sessions with all engaged parties, working through potential issues to form a collective view on direction.

Detailed next steps are outlined on page 58.

Context for collaboration opportunities

There are a range of potential benefits from collaboration, supporting the outcomes District and Borough Councils want to achieve in both a financial and non-financial sense, as well as aligning with future potential LGR.

Why collaborate across the Surrey District and Borough Councils?

Collaboration between the District and Borough Councils will help to enable the delivery of better outcomes for residents. At the highest level, this would be through sharing knowledge, intelligence and best practice.

There is also a strong precedent from other examples of collaboration between local authorities in the UK that it can deliver financial savings where appropriate through greater economies of scale, reducing duplication and finding more efficient ways of working.

The District and Borough Councils in Surrey vary in size. The organisations have explored whether collaboration would provide greater resilience through enabling a larger pool of joint resources and expertise and an ability to respond to external events more quickly.

Further, collaboration can be a driver to redefine the relationship with County Council by delivering more services locally where appropriate and through establishing more equal partnership working.

Finally, collaboration can be used as a tool to prepare for potential reorganisation. This can be achieved by focusing some collaboration in clusters based on potential unitary footprints, reducing future reorganisation complexity and demonstrating the benefits and potential of local partnership working. Should there be a requirement to submit a Case for Change in future, the District and Borough Councils have explored the options and the implications of those.

What will this section explore?

This section details the work that has been completed to assess potential collaboration opportunities between the District and Borough Councils within Surrey. As part of this work, a number of workshops and engagement sessions with Chief Executives and Leaders of each of the eleven District and Borough Councils were held to better understand existing working partnerships and what the District and Borough Councils aim to achieve through further collaboration.

This section will outline the different types of collaboration, a high-level assessment of current partnership arrangements, and outline the process of identifying potential collaboration opportunities that have been selected by the District and Borough Councils. Collaboration opportunities were identified through a selection processes that involved both workshop engagement, surveys, and then finally direction from Chief Executives and Leaders to identify eight priority areas for collaboration.

Each of these eight collaboration opportunities have then been explored in more detail to understand the current service delivery models, the potential next steps to collaboration across the identified services, and relevant learning from elsewhere.

Collaboration

Councils should develop a coherent programme to prioritise and progress the 8 key collaboration opportunities, to foster closer working relationships, improve resilience, and deliver savings.

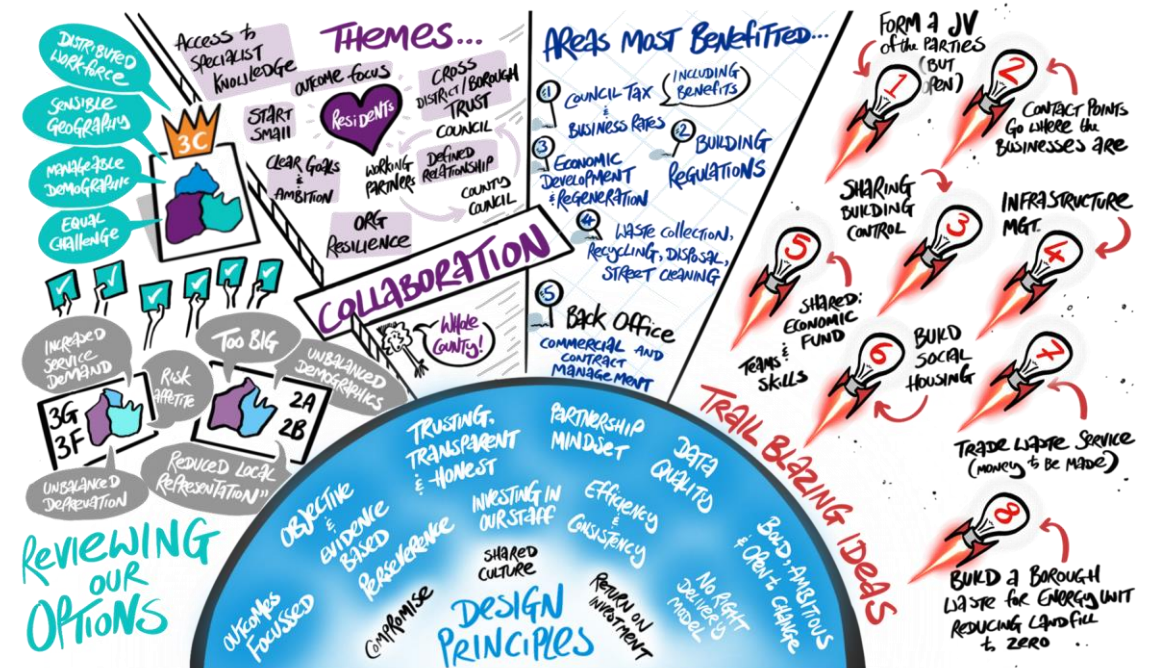
- Collaboration was explored with Councils to better understand the potential feasibility of work within Surrey and the need to build on the cooperation and joint working
Page 25-28

- The current footprint of collaboration across Surrey was assessed to understand current relationships. Joint working themes were developed in to a set of Design Principles for collaboration within Surrey.
Page 29-31

- Collaboration opportunities were identified through a selection processes that involved both workshop engagement, surveys, and direction from Chief Executives and Leaders to identify eight priority areas for collaboration:

- New approach to Waste.
- Sharing Building Control.
- IT infrastructure.
- Shared approach to Housing.
- Standardisation of Revenue & Benefits.
- Procurement.
- Economic Development.
- Shared Leisure Services.

Page 32-57



- There are series of next steps and requirements to deliver collaboration and continue the joint work that has been undertaken.

Page 58

What do we mean by collaboration?

There are different types and scales of collaboration that could be appropriate and selected depending on the service/outcome sought.

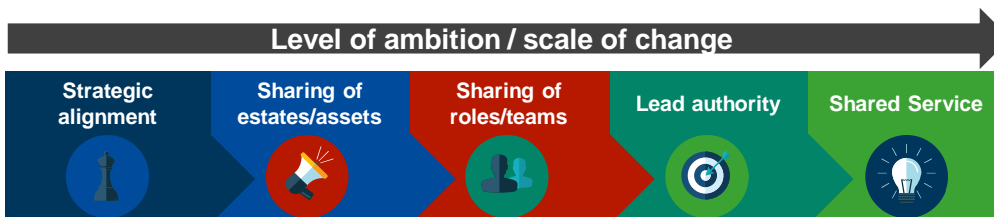
What do we mean by collaboration?

The appropriate form of collaboration will be dependent upon the service, ambition and outcome sought by the District and Borough Councils. A number of potential collaboration options have been outlined on a progressive scale. The scale of change required to existing working will be reflected by the level of ambition the District and Borough Councils have in their desire to collaborate.

Strategic alignment involves the collaborative development of a joint strategy and/or policy between the District and Borough Councils which could lead to greater consistency in operations and/or governance. This can also lead to greater coordination and communication and clarify the capabilities of each organisation.

The next option would be the **sharing of estates/assets** such as the co-location of teams and shared systems. Further, **combined leadership teams or individual roles** can lead to greater cost reductions and resilience and improved efficiencies.

Further along the scale of collaboration is for a **lead authority** delivering services across multiple footprints on behalf of the other District and Borough Councils. If appropriate, a shared service with a **separate legal entity** delivering services to multiple authorities could be utilised.



What are the different groupings of collaboration?

Different groupings of the Surrey District and Borough Councils may be appropriate depending on the type of collaboration pursued. The groupings are outlined below.

Whole County - This is where common agreements or working practices exist across all District and Borough Councils (which may include changes to the relationship with Surrey County Council).

Clusters - This involves increased sharing or greater alignment within 'clusters', which consider geographic proximity, functional economic geography, and potential future unitary authority footprints.

Wider Partner Collaboration - Strengthening relationships with key partners, including the County Council, health and care providers and the voluntary and community sector.

There are other alternative footprints which may develop over time, with a number of potential permutations. This includes a collaboration between the 'best fit' or 'most willing' partners between the Surrey Borough and Districts, as well as potential collaboration with parties outside of Surrey. This should be explored for each individual collaboration opportunity on a case-by-case basis.

Existing partnerships

Fourteen partnerships and collaborations have been identified between all the District and Borough Councils and there are further collaborations that exist between two or more District and Borough Councils.

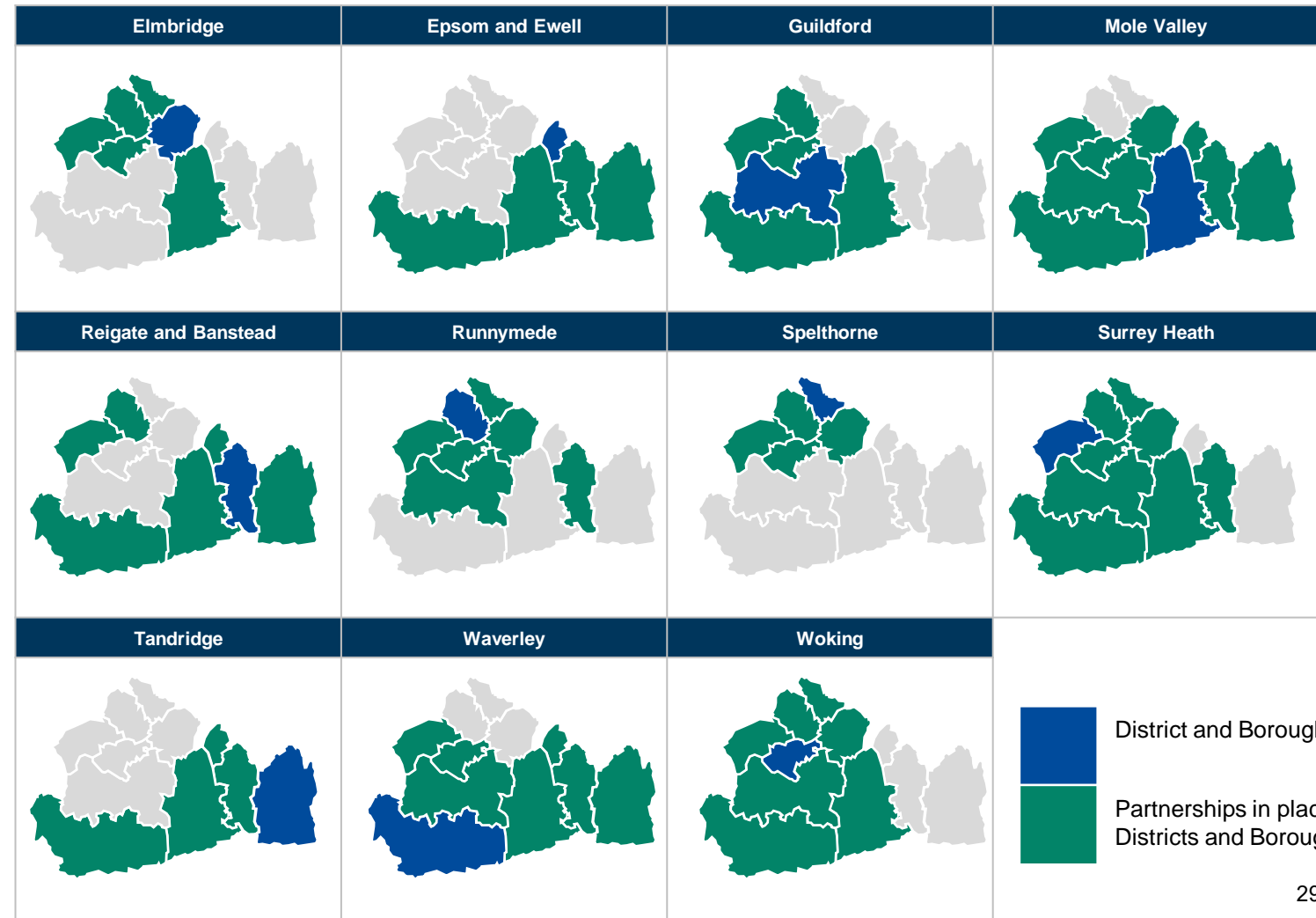
County wide partnerships

There are fourteen whole County partnerships and collaborations which have been identified which include all eleven District and Borough Councils. These cover a number of key services including Environment, Sports, Learning and Housing.

Other partnerships in place

There are further existing collaborations that exist between two or more District and Borough councils. A visual representation of the partnerships is provided which highlights that most collaboration operates on a locality basis, with partnerships predominantly with neighbouring authorities.

Note that the depth of collaboration within each collaboration arrangement has not been explored.



Current themes of existing collaboration and future aims

Through joint working sessions, the District and Borough Councils collectively agreed what they wanted to achieve from collaboration, and explored learning from their current collaboration arrangements. By outlining what works well and what could improved, this helped to develop a set of key themes encapsulating the key drivers for collaboration.

What do the District and Borough Councils want to achieve from collaboration?

The alignment to three working clusters

Working as three clusters would help accelerate collaboration through operating on a smaller footprint with fewer engaging parties. It could also be used to demonstrate that the clustering being proposed for unitary authorities can work effectively together.

The maturity of service delivery for District and Borough Councils and County level services

This would strengthen proposals for District and Borough Councils being lead councils within a Case for Change for LGR, meaning they can handle more complex district services.

Delivery of savings / increased income potential

The delivery of savings and increased income potential to help address funding challenges and savings targets.

Improved financial resilience

This would provide greater financial capacity, funds and reserves for councils.

Improved services and outcomes to residents

This includes improved service delivery, greater resilience and consistency

across the organisations.

Key themes identified on current collaboration

Following discussion on the success of current collaboration between District and Borough Councils, a number of key themes were identified and have been outlined below.

Current partnerships have successfully provided access to specialist knowledge, increased organisational resilience, and developed a level of trust across the District and Borough Councils.

However, more work needs to be done to redefine the relationships between the District and Borough Councils, the County Council, and working partners to obtain the full benefits of existing collaboration.

In order for collaboration to be successful, the District and Borough Councils identified an initial desire to start small, accept a degree of risk, develop a clear set of goals and a shared ambition, and focus on the outcomes they want to deliver for residents. However it should be noted that significant progress on collaboration now could help demonstrate what an alternative unitary model can deliver, support resilience, and deliver financial benefits. The development of full business cases will ultimately define the pace of collaboration, and the desired ambition.

Vision and Design Principles





To shape future collaboration, a vision and set of Design Principles were discussed and agreed by the District and Borough Councils. Design Principles have been developed to provide a framework to enable the delivery of the vision.

We will work in partnership to deliver better outcomes and higher quality, more efficient services for the people of Surrey. We will trust each other, adopting a partnership mindset which recognises our common purpose.

We will deliver our vision through the following principles. The principles apply equally to all of the Districts and Borough Councils across Surrey.

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	1 Outcomes focussed	We will choose to collaborate when it enables us to deliver our vision of higher quality and more efficient services for our residents. A simple, straightforward set of key performance indicators (KPIs) will be agreed and tracked, with a focus on simple communication of outcomes to the public. Our collaboration will deliver a return on investment, from a financial and non-financial perspective.
	2 Objective and evidence-based	Once partnerships are established, we will make operational decisions based on agreed principles, data and evidence. Our partnerships should not be de-railed by changes of political administration.
	3 Transparent and honest	We will be honest about our strengths and areas where we can improve by learning from others (within the County and outside). We will prioritise consistency, clarity and honesty in our communications with our staff.
	4 Trust and partnership mindset	We recognise different risk profiles of partners, and commit to governance and decision-making that considers what is best for all partners and the residents they serve. We will constructively and appropriately challenge in the spirit of partnership, and trust each other to deliver the best outcomes for the whole.

	5 Data quality	We will invest time up front to ensure that all of our key data is consistent and high quality. We must have a full understanding of the baseline position and how data will be used from the outset.
	6 Bold, ambitious and open to compromise	We will be bold and ambitious, considering opportunities for innovation through the joint delivery of services. We recognise the need to compromise where beneficial for all residents to be served by a partnership.
	7 Perseverance	We will invest time and energy in our partnerships to get them right and to resolve issues together. When we encounter challenges we will continue to work collaboratively.
	8 Shared culture and values	We will develop a shared culture and values across organisational boundaries, recognising our shared purpose. We will encourage our staff at all levels to work collaboratively to embed collaboration into our culture.
	9 Efficiency, and consistency	Wherever it benefits our residents, we will adopt common processes, systems and ways of working to deliver a more efficient set of services and a more consistent customer experience.
	10 No right delivery model	We will choose the delivery model that is most appropriate for collaboration within each service area based on the outcomes required and evidence available.

Service categories for collaboration

A list of service areas for potential collaboration were presented to the District and Borough Councils during one of the workshops. These were voted on and five priority service areas for collaboration were subsequently identified.

The following service areas are how the Institute for Government defines the services District and Borough Councils and County Councils provide.¹ The District / Borough councils discussed and then voted on which service areas to focus on for developing collaboration ideas.

The top five service areas identified were: Council Tax and Business Rates; Building Regulations; Economic Development; Waste Collection and Recycling and Environmental Health. In addition to this, it was agreed that

back office services should be explored, and this was explored in more detail with Project Officers.

The Chief Executives, Leaders and Project Officers of the District and Borough Councils were consulted further over the top five service areas. These were consolidated, refined and updated to produce eight priority focus areas.

#	Area	District	County
1	Arts and recreation		
2	Births, deaths, and marriage registration		
3	Building regulations		
4	Burials and cremations		
5	Children's services		
6	Community safety		
7	Concessionary travel		
8	Consumer protection		
9	Council tax and business rates		
10	Economic development		
11	Education and skills		
12	Elections and electoral registration		
13	Emergency planning		
14	Environmental health		
15	Highways and roads		
16	Housing		

#	Area	District	County
17	Libraries		
18	Licensing		
19	Markets and fairs		
20	Museums and galleries		
21	Parking		
22	Planning		
23	Public conveniences		
24	Public health		
25	Social care		
26	Sports centres and parks		
27	Street cleaning		
28	Tourism		
29	Trading standards		
30	Transport		
31	Waste collection and recycling		
32	Waste disposal		

¹ <https://www.instituteforgovernment.org.uk/explainers/local-government>

Collaboration opportunities

Each of these eight collaboration opportunities have then been explored in more detail to understand the current service delivery models, the potential next steps to collaboration, and finally what reference sites there are for collaboration on this topic.

For each of the eight collaboration opportunities, an opportunity card has been created which considers the following:

- Scope of the opportunity.
- Current service situation and existing collaborations.
- Potential benefits and risks to the collaboration opportunity.
- Medium term next steps - Those that can be delivered within the current structural forms and can typically be delivered in a short period of time (e.g. less than six months).
- Strategic next steps - Those that may require structural changes, executive decisions and political support, and will typically take a longer time to deliver.
- Learning from other organisations who have progressed similar collaborations.

1 New approach to Waste Collection, Commercial and Disposal	2 Standardisation of Revenues and Benefits
3 Sharing Building Control	4 Procurement (Back Office)
5 IT infrastructure (Back Office)	6 Delivering Economic Development
7 Shared approach to Housing	8 Shared Leisure Services

New approach to Waste

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

In the short to medium term, changes to improve existing collection services could include the optimisation of routes, standardisation of collections and harmonisation of contracts. This would build on existing collaborations (including the Surrey Environment Partnership) and could lead to the development of a commercialised trade waste service, including recycling, food waste, and other trade waste, providing local businesses and organisations with a competitive and comprehensive waste offer. The service would be in competition with other commercial waste collection services, such as Veolia and Biffa, and provide an additional income stream to District and Borough Councils to reinvest in additional services, and show that the councils can deliver a commercial and reliable service. A review of current waste disposal can help to reduce environmental impacts and ensuring waste to energy is optimised, reducing waste sent to landfill. This could result in exploring a new waste to energy solution.

Potential benefits

Collections

- Consistency of approach across the districts.
- Operational efficiencies.
- Potential cost savings through contract harmonisation.

Commercialisation

- Additional income stream for the District and Borough Councils to deliver discretionary services, such as environmental projects.
- Improved reputation through delivering a competitive commercial service.
- Potential improved quality of commercial waste collections.

Disposal

- Operate a more sustainable and environmentally-friendly alternative to sending waste to landfills.
- Avoidance of disposal costs and landfill taxes.
- Avoid methane emissions from landfills and reduction in carbon emitted which would contribute to achieving carbon reduction (many of the District and Borough Councils pledged to become carbon neutral by 2030 as part of their Climate Emergency declaration).

Current situation / Service Quality

- Waste is one of the highest spend services for the District and Borough Councils. The Surrey Environment Partnership, has brought together leads from across the eleven District and Borough Councils to share best practice and ideas, and pool resources to collective benefit.
- Joint Waste Solutions delivers collection services for four Councils (Mole Valley, Elmbridge, Woking and Surrey Heath) in partnership with Amey.
- Overall there is a direction of travel towards greater standardisation, with national funding being provided from DEFRA to support partnership working and movement towards the National Waste Strategy.
- Commercial waste services provided across four District and Borough Councils (Reigate, Epsom, Guildford and Runnymede). Guildford's commercial waste collection service is one of the largest in the country with a turnover of around £1.3m.
- As part of their partnership with Surrey County Council for managing waste, Suez's eco park plant in Surrey is in process of testing an anaerobic digestion facility. Up to 40,000 tonnes a year of food waste, mainly from homes around Surrey and also some from businesses will be treated at facility with the purpose of reducing landfill.

Risks/Challenges

Commercialisation

- **Competition** – Councils will be competing directly with specific waste organisations. There is a risk competition will be too strong from the market, with loss of income to a larger entity.
- **Lack of demand** – There may not be sufficient demand as businesses are already engaging with other providers.
- **Up-front costs** – There may be large up-front costs to develop equipment and services of sufficient scale to take on new commercial clients. Further, only a limited number of other Councils own their own waste fleet.
- **Political priorities** – Trade waste services may be seen as a lower priority for politicians and residents, distracting from priority resident services.
- **Existing contacts** – Councils have long contracts with third party suppliers. There may also be implications with commercialisation and contracts with third party suppliers

Disposal

- **Complaints from residents** – There may be a negative response from local residents due to the emissions produced from disposal and increased traffic of large vehicles.

New approach to Waste

New approach to Waste <i>Collection, Commercial and Disposal</i>	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Residents

- Local businesses.

District and Borough Councils

- Waste teams from engaged District/Borough Councils.

County Council

- Waste disposal teams.

External Bodies

- Environmental organisations.
- Waste competitors.

Next Steps

Medium term actions

As there are a number of existing collaborations between the District and Borough Councils around waste some immediate next steps could enhance/deepen the collaboration to be undertaken within the next six months:

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Assess the minimum size of collaboration required to achieve necessary economies of scale, and potential market size of commercial operations if being pursued.
- Assess the impact of the National Waste strategy on current operations.
- Begin planning approach to educate residents and the District and Borough Councils on climate issues to help minimise waste.
- Rationalise routes for waste collection rather than working purely on existing organisational footprint.
- Baseline current service cost for local collections, highlighting 'true differences' in services at a local level.
- Begin to explore a possible joint disposal and collection contract across Surrey and identify what further information is required.
- Further explore disposal waste alternatives including local and waste to energy.
- Form a partnership approach to minimising waste, working with local businesses, charities and residents.

Strategic

Longer term actions to realise the full benefits include:

- Develop a joint strategic approach to waste (that includes the whole of Surrey) and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Develop a timeline for implementation of the shared service, potential scale of team required, impacts on staff (TUPE) etc.
- Develop Governance framework once joint working approach confirmed.
- Determine level of appetite from Surrey County Council for a joint disposal and collection authority.
- Assess the strategic steer from Government which requires an approach addressing challenges on both waste and the environment (Net Zero targets).

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1

Yorwaste - waste provider

Description

- A waste management company set up between North Yorkshire County Council and York Council.
- They employ over 250 members of the local community, manage over half a million tonnes of waste per year and carry out 550,000 trade waste and commercial bin collections.
- Manages all 20 household waste recycling centres in North Yorkshire.

Benefits

- Wide range of local in-house waste processing solutions.
- Eliminate any extra costs through employing third parties.
- Better place to provide a personalised service.

Source: Yorwaste site - [Link](#)

Case Study 2

Coventry & Solihull Waste Disposal Company (CSWDC)

Description

- Independent waste management company set up between Coventry City Council, Solihull Metropolitan Borough Council, Warwickshire County Council and Leicester County Council.
- Their main business is extracting energy from municipal and commercial solid waste.
- They also operate a Household Waste Recycling and Reuse Centre on behalf of Coventry City Council.
- As recycling tonnages for Coventry and Solihull have increased, spare capacity in the incinerator has been sold to Warwickshire County Council (now a junior shareholder), Leicestershire County Council, and Variety of smaller contracts with both public and private sector organisations.

Benefits

- Financial savings identified to date by Coventry Council is £21,000,000.

Source: LGA shared service map table 2019 - [Link](#)

Case Study 3

East Sussex joint waste

Description

- East Sussex County Council developed a joint waste strategy with East Sussex District Councils: Eastbourne, Hastings, Lewes, Rother and Wealden.
- Their aim is to improve the quality and efficiency of waste collection, recycling, street and beach cleaning services by entering into a joint contract with Biffa (previously Kier services until mid 2019).
- The five District Councils, act as the collection authorities outsourcing to Biffa.
- East Sussex County Council acts as the disposal authority and operate an energy recovery facility in Newhaven and receive income from sale of electricity to National Grid.

Benefits

- Reduction of waste sent to landfill and reduction of landfill tax.
- Income stream from sale of electricity.

Sources:

LGA shared service map table 2019 - [Link](#)

East Sussex Joint Waste Strategy 2014-2025 - [Link](#)

East Sussex Joint Waste Management Strategy - [Link](#)

Standardisation of Revenues and Benefits

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT Infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Development of a joint delivery vehicle to deliver transactional services (initially Revenue Services) could provide an opportunity to standardise and improve effectiveness. This could initially cover standardisation of collection, customer contact routes and communications with the County Council. This approach could then be expanded to benefits services, as well as other transactional Council services. There is an opportunity to build on existing collaboration between the District and Borough Councils in this area, to accelerate the delivery of this opportunity.

Potential benefits

Residents

- Efficient, effective, and specialised services to residents.
- Standardised approach between District and Borough Councils, when moving house for example.
- Improved Benefits assessments and payments service with best practice being shared.

District and Borough Councils

- Standardised consistent service, with improved service delivery metrics.
- Clarity of responsibility between District and Borough and County services, contact points for customers and County, and flows of data in processes.

County Council

- Increased Council Tax and Business Rates receipt rates and as such County Council precepts.
- Standard contact routes, better relationships, and consistency of service with Councils.

Current situation / Service Quality

- Instances of collaboration between authorities, for example Reigate and Banstead delivering services to District and Borough Councils.
- The service delivery is not standardised across all the District and Borough Councils, as there are tailored responses to communities.

Risks

- **Loss of localism** – Standardised service risks losing locality of services, which may impact individual challenges being faced by residents. As a counter to this, scale could free up time to deliver localism or greater liaison services.
- **Loss of control** – Services will be delivered by a joint venture, potentially under a joint management committee. Responsibilities will be shared and will have to cater for multiple parties.
- **Significant effort required to align systems** – In order to facilitate the alignment and joint delivery of services, systems will have to be aligned. There is a risk this may stall progress.
- **Potential dip in collection** – Potential short term impacts to service delivery and collections, which may result in a reduction in collections.

Standardisation of Revenues and Benefits

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Residents

- Citizens receiving benefits.
- Citizens paying council tax.

District and Borough Councils

- Revenue and Benefits teams.

County Council

- Recipients of information from Revenue and Benefits teams.

External Bodies

- Organisations paying business rates.
- MHCLG.

Next Steps

Medium term actions

As there is little existing collaborations between the District and Borough Councils in this area, some immediate next steps to expedite the commencement of joint working could be undertaken within the next 6 months:

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Assess baseline staffing structures to assist in deciding on type of collaboration considering future options.
- Review current procedures and practices in detail to identify areas for greater collaboration (e.g. Reigate and Banstead's approach to collection which may be expanded).
- Appoint nominated officer to lead and be accountable for success of joint working.
- Review debt recovery policy and hardship fund for each District and Borough Council to develop a better understanding of their approaches.
- Review current contractual arrangements and delivery models.
- Assess legal implications – instruction process for example.
- Assess specific processes that can be standardised, or are already standardised, across Councils whilst retaining individual schemes and discretionary elements.

Strategic

Longer term actions to realise the full benefits include:

- Pilot service deliver on business rates, with volumes being smaller and more reliant on a small number of specialist staff.
- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Develop Governance framework once joint working approach confirmed.
- Review IT strategy and systems of Districts and Boroughs and develop a roadmap for migrating systems onto one platform.
- Develop a timeline for implementation of the shared service, potential scale of team required, impacts on staff (TUPE) etc.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1

Hampshire shared service

Description

- Biggest public sector shared services partnership in the UK, Hampshire County Council are the host service provider to back office support and expertise in areas including finance, procurement, IT and HR to a variety of partners across Local Government (including other local authorities), the Police, schools and Fire and Rescue Services.
- Partners are the county council, Hampshire Constabulary, Hampshire Fire and Rescue Service, the Office of the Police and Crime Commissioner for Hampshire and Oxfordshire County Council (three London Boroughs are due to join the partnership later this year).
- Operating model is a public partnership.

Benefits

- Cost efficiencies and savings.
- Increased resilience and capacity.
- Hampshire County Council estimates savings of £2.7m a year.

Source: LGA shared service map table 2019 - [Link](#)
Hampshire County Council website
Hampshire Shared Services Building the Partnership - [Link](#)

Case Study 2

OneSource

Description

- A shared service partnership between Newham and Havering London Borough Councils set up in 2014. This brought together 22 back-office services and 1300 staff with the aim of streamlining processes and teams, and reducing corporate support costs in order to protect front-line services.
- Governed by members of a joint committee.
- Provide a range of strategic, operational and transactional services to both the partner councils and customers by helping them work more efficiently and reduce back office costs.
- Services include legal, transactional HR and business rates and council tax collection services.

Benefits

- Reducing duplication.
- Sharing resources/skills between councils.
- Councils estimated to achieve approximately £40M in savings since inception to 2019.
- Improved customer experience and operational efficiencies.
- Greater resilience and flexibility through standard systems and sharing resources.

Source: LGA shared service map table 2019 - [Link](#)
OneSource website - [Link](#)

Case Study 3

Shared Revenues Partnership

Description

- The Shared Revenues Partnership ("SRP") is a partnership of three councils: Babergh District Council; Ipswich Borough Council; and Mid-Suffolk District.
- Operational from 2011 and governed by a joint committee.
- It includes the collection of council tax and business rates and payment of housing benefit and administration of local council tax reduction schemes.

Benefits

- Reduced costs.
- Greater resilience to change.
- Improved performance around collection rates and time to respond to benefit changes.
- consistent and improved customer experience,
- Introduction of more digital and self-serve options for customers to use.
- Financial savings 18/19 is £917,940.
- Financial savings to from 2011 to 2019 is £4,675,300.

Source: LGA shared service map table 2019 - [Link](#)

Sharing Building Control

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Development of a shared building control services accessible to residents across District and Borough boundaries. Some individuals and businesses that interact with Building Control services may operate across District and Borough boundaries, and due to the size of functions within individual Councils there is an opportunity to increase the critical mass and operational resilience of services. This could either involve up to two additional building control partnerships, taking learning from the Southern Building Control Partnership, or expanding the scope of this partnership to cover other areas within Surrey.

Potential benefits

Residents

- Improved quality of service that is more customer focused.
- Size of team ensures continuity of service.

District and Borough Councils

- Cost reductions (economies of scale, agile working and elimination of duplication in areas such as IT, HR and finance).
- Increase in capacity and capability available to each organisation – sharing of technical skills.
- Greater organisational resilience, and accessibility to limited resource available in specialist roles.
- Adoption and improved efficiency of processes and practices.
- Improved recruitment and retention in local authority building control services.
- More competitive - Increased opportunity and capability to compete with the private sector and win additional business.
- Create management arrangements that will enable resources to be deployed effectively.

County Council

- Consistency in the delivery of building control services.
- Standard interaction with building control departments with fewer stronger relationships.

Current situation / Service Quality

- Southern Building Control Partnership is a joint local authority building control function for Reigate and Banstead, Tandridge and Mole Valley. They work out of two council office hubs in Dorking and Oxted, Surrey.
- Runnymede provide repairs and maintenance service for operational properties for Spelthorne until March 2021.
- Previously explored possible merger of Borough Council teams from Spelthorne, Surrey Heath, Guildford and Woking. There were difficulties agreeing alignment of charges, business approach, plus big difference in cost/income ratios between Councils.
- Elmbridge deliver service through the Elmbridge Building Control Services (building control mutual).
- There has been an ongoing reduction in the availability of professional staff to fulfil roles, with Councils struggling to appoint in to roles such as Surveyors.

Risks

- **Competition** – Building control services within Surrey compete with private sector organisations, and service quality or value for money will need to be secured to compete in the market.
- **Development and training requirement** - As building control is a statutory service and councils often advise on regulatory issues, staff may require training to develop commercial expertise.
- **Loss of control** - Services will be delivered outside of each individual Council. Responsibilities will be shared and will have to cater for multiple parties.
- **Past discussion** - Previously, some District and Borough Councils were unable to agree a common business approach whilst discussing a proposed merger. This could stall initial discussions without a new imperative or different approach.

Sharing Building Control

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Residents

- Customer using the building control service.

District and Borough Councils

- District and Borough Building control teams.
- Southern Building control Partnership.

County Council

- District and Borough Building control teams.

External Bodies

- Building control services operating within Surrey.

Next Steps

Medium term actions

As there are existing collaborations between a number of the District and Borough Councils, some immediate next steps could enhance and extend the collaboration, to be undertaken within the next six months:

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Combine expertise and share resources to account for existing gaps e.g. engineering calculations is a scarce resource across the District and Borough Councils.
- Bring together officers to Discuss and outline local offering and expertise that differentiates District and Borough services from the Private Sector.
- Review the comparable salary levels, income and full staffing picture across the District and Borough Councils.
- Undertake market analysis to demonstrate cost effectiveness of any potential collaboration.
- Develop a joint recruitment plan and increase opportunities for trainees.

Strategic

Longer term actions to realise the full benefits include:

- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Support and drive from the top (Chief Executives and Leaders) needed to progress potential collaboration.
- Develop a timeline for implementation of the shared service, potential scale of team required, impacts on staff (TUPE) etc.
- Develop Governance framework once joint working approach confirmed.
- Assess how collaboration could alleviate concerns from large scale strategic challenges such as of the new post Grenfell Building Safety Bill which is likely to come into effect in 2022. This will place pressure on building control staffing due to new legal and qualification requirements.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1

Building Control Solutions

Description

- Brings together the building control services of the Royal Borough of Windsor and Maidenhead, West Berkshire Council and Wokingham Borough Council.
- This has resulted in a single team, based in a single location carrying out the building control function across the three Local Authority areas.
- One of the initial barriers identified was competing in a competitive private sector as Local Government building control services do not always have the financial resources, commercial skills or marketing resources to effectively compete.

Benefits

- Offer a more flexible customer focused service.
- Ensure a service that is competitive with the private sector but retain the local presence.
- Enable the development of a full range of ancillary value-added services to meet the needs of residents and businesses, and which benefit the Local Authorities as new sources of (non-ring fenced) income.

Sources: LGA shared service map table 2019 - [Link](#)
SBC website - [Link](#)
BCS shared service business plan - [Link](#)

Case Study 2

Building Control Partnership

Description

- Hart District Council Building Control and Rushmoor Borough Council entered into a shared service arrangement through merging their building control teams.
- The Building Control team is now based in Rushmoor Borough Council offices in Farnborough.

Benefits

- More cost-effective and greater resilience
- Offer a more competitive and improved customer service.
- Maintain a level of service to compete with the private sector.
- Hart District Council identified savings of £20,000 from inception in 2015 to 2019.

Source: LGA shared service map table 2019 - [Link](#)

Case Study 3

Devon Building Control Partnership (DBCP)

Description

- A not-for-profit organisation set up in 2004.
- DBCP provides building control services across three Local Authorities -Teignbridge and South Hams District Councils and West Devon Borough Council.
- Governed by a partnership agreement and centralised hosting by Teignbridge council.
- Driven by a shortfall of key positions such as senior surveyors and pressure to reduce costs whilst maintaining the level of service.
- A remote working system introduced to enable surveyors to meet clients across a wide geographical area which increases efficiency, reduces costs and is more appealing to surveyors.

Benefits

- Reduced support and running costs and shared training costs.
- Greater consistency to service provided.
- Staff retention and attract talented individuals due to a more employment prospectus.
- Long term efficiency gains.
- Centralised tech support team more efficient by dealing with more queries at first point of contact.

Source: LGA shared service map table 2019 - [Link](#)
Devon Building control website - [Link](#)

Procurement (Back Office)

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

There are a number of benefits from collaborating on procurement, not only the greater purchasing power that comes from joint procurement of services, but also the in-depth knowledge and greater focus that can be placed on category management in a larger scale procurement function. There may be an opportunity to build on the Surrey Procurement Group through the implementation of a joint procurement and contract management system, which encapsulates all contracts and procurement frameworks that are being used and are available across the County.

Potential benefits

Residents

- Better contract management will result in higher performance standards from suppliers and improve the quality of services to the public.

District and Borough Councils

- Financial savings achieved through improved procurement helps support the delivery of front line and priority services.
- Increased procurement power, knowledge and developing of expertise across the District and Borough Councils.
- Creating efficiencies by avoiding duplication and creating common policies and procedures.
- Avoid competition between individual Districts and Boroughs for procurement expertise.

County

- Potential to expand services to County Council, increasing purchasing power further.

Current situation / Service Quality

- No shared service currently in place across all the District and Borough Councils.
- Surrey Procurement Group has been set up in order to share best practice within Surrey relating to procurement and contract management. This has resulted in shared contracts, and increased communications around the timing of large procurements. There is an opportunity to leverage and formalise this relationship.
- Joint procurement of internal audit services partnership exists between 5 District and Borough Councils (Epsom & Ewell, Mole Valley, Reigate & Banstead, Tandridge, Waverley).
- A number of District and Borough Councils have access to InTend e-procurement system via access to Surrey County Council's (SCC) portal.

Risks

- **Structural Changes** - May require structural and operational changes in authorities before the full benefit of shared contracts can be exploited.
- **Political priorities**- Differences between the political, cultural and structural norms in each authority.
- **Existing contracts**- Collaboration on procurements may be limited by the timing of contract renewal, which may result in a lack of opportunities, or potential costs as a result of waiting for other authorities to complete contracts or breaking contracts early.

Procurement *(Back Office)*

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Residents

- Customers benefitting from services provided by suppliers.

District and Borough Councils

- Procurement teams.

External

- Suppliers and partners.

Next Steps

Medium term actions

The Surrey Procurement Group can be supported to understand the market and identify potential savings through joint procurement. This could include:

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Agree an immediate more collaborative approach to procurements - avoid missing strategic benefit of aligning large procurement activities or leveraging existing frameworks.
- Procurement spend analysis of each District and Borough Council to identify potential saving opportunities and to assist in setting an overall savings target.
- Baseline of current procurement systems.
- Share key procedures and practices (such as the approach to preferred suppliers, frameworks etc).
- Develop a timeline of key contracts - A consolidated view on the contracts that each District and Borough Council has in place in order to develop a timeline of opportunities for contract negotiation and consolidation.

Strategic

- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Gain Chief Executive and Member commitment to engage with the Surrey Procurement Group, providing the group with the mandate to align procurements.
- Develop a timeline for implementation of the shared service. potential scale of team required, impacts on staff (TUPE) etc.
- Develop Governance framework once joint working approach confirmed.

Learning from elsewhere

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Case Study 1

Coventry, Solihull and Warwickshire shared procurement service

Description

- Coventry City Council, Solihull Metropolitan Borough Council Warwickshire County Council and numerous Warwickshire District Councils have a shared procurement strategy and savings plan.
- Where specifications can be agreed, contracts are let by one category manager in one authority on behalf of the other participating authorities.
- Initial challenges included the structural and operational changes required in the authorities before the full benefit of shared contracts could be exploited and also practical consideration such as contingency and liability arrangements.
- Many areas of procurement including market intelligence, good practice, legal developments, training and key issues are shared to improve efficiency and effectiveness in all authorities.
- There is a shared e-tendering platform for the councils - CSW-JETS which enables them to advertise opportunities across all authorities through the same system. This means that there is a single point of contact for procurement.

Benefits

- Solihull Metropolitan Borough Council identified financial savings of 5,715,000 to date since its inception in 2010.
- Cumulative savings delivered by these partnerships in FY19 was £200m.
- Shared portal lowered annual support costs.
- Increased procurement power and developing of expertise in individual authorities.

Case Study 2

Crawley, Mid-Sussex and Horsham Shared Procurement

Description

- Shared Procurement service between Crawley Borough Council, Horsham District Council and Mid-Sussex District Council was created in 2010. Their resources are combined into one team working across the three authorities.
- The Joint Procurement Board governs the shared procurement service via an informal agreement and is made up of a representative from each of the authorities.
- Crawley are the 'lead' authority taking responsibility for the payments made between the authorities and acting as IT lead.
- The main office location is Crawley Borough Council and there are two shared service locations in Horsham and Haywards Heath (in Mid-Sussex).
- Both Crawley and Horsham continue to employ their own procurement staff and manage and procurement budgets.
- They advertise all tender opportunities on a Shared Services e-Portal. Procurement processes are undertaken according to each council's Procurement Code.
- Mole Valley District Councils has participated informally in the shared procurement service by way of a pilot since the start of 2020.
- The budget for the service is split between the three authorities with Crawley and Horsham paying 35% and Mid Sussex 30% of the total costs.

Benefits

- Greater capacity, cost savings and improved customer experience.
- Financial savings identified by Crawley council to date since inception in 2010 is 6,622,030 and in 2019/19 is 1,204,132.
- Increased purchasing power.
- Developed skills and knowledge amongst the team.
- Creating efficiencies by avoiding duplication and creating common policies and procedures.

IT infrastructure (Back Office)

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Notwithstanding the significant investment in IT infrastructure over the years, there are further opportunities to standardise the IT estate across councils. Technology could be incrementally improved and standardised in specific service areas, for example, a new system to support procurement, while an IT roadmap is planned and potential improvements are aligned to contract end dates.

Potential benefits

Residents

- Benefit from a more efficient and higher quality service.
- Greater alignment with resident expectations, with more commercial interactions with the Council.

District and Borough Councils

- Cost savings.
- Access to best practice technology developed by other Councils.
- System improvements and process simplification.
- A common platform would lead to increased communication between the District and Borough Councils and act as a foundation for more back office collaboration in the future.
- Service resilience due to fewer single points of failure and increased scale.
- Improved disaster recovery plans and solutions to ensure business continuity in the local area.

County Council

- Simplified system interaction with the District and Borough Councils' technologies.
- Opportunities to join technology relationships and leading practice.

Current situation / Service Quality

Current service delivery

- The majority of District and Borough Councils manage their own IT infrastructure, with instances of shared backup and disaster recovery arrangements, as well as common service providers.
- Runnymede currently use Goss via an arrangement where Spelthorne is their supplier and Runnymede utilise Spelthorne's contract with Goss. This arrangement is due to expire in March 2021 and Runnymede have recently procured their own Content Management System (CMS).
- Waverley host ICT storage for Surrey Heath, who reciprocate by transferring 'virtual machines' (lagged copy) to Waverley. This is being reviewed on an on-going basis as more systems are being moved to the Cloud.

Risks

- **IT spend** is significant, and there will also be legacy costs and financial costs to purchase new IT equipment may be necessary.
- **Complexity and benefits realisation** – Significant IT programmes across multiple partners have a high level of complexity, and IT programmes historically have challenges delivering on potential benefits, which could take time to realise. This would need to be carefully set out within a potential business case and benefits realisation plan.
- **Resource requirement** - Managing a large and complex infrastructure with the current level of resources may be an issue.
- **Service standards** may be set at different levels across the District and Borough Councils, leading to possible customer and member complaints.

IT infrastructure (Back Office)

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Residents

- Customers (e.g. local businesses).

District and Borough Councils

- District and Borough Council IT teams.

County Council

- IT teams.

External Bodies

- Third party platforms to manage IT infrastructure.

Next Steps

Medium term actions

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Agree on a joint homeworking policy.
- Carry out a Cloud and system licensing baseline/audit, including contract renewing and cyber resilience.
- Share digital strategies and identify common ground and align common systems such as I-Trent for HR.
- Implement individuals/team to assist the IT team in ensuring the practical application of joint systems.
- Assess financial implications of each District and Borough Council considering existing infrastructure and contracts with third parties.
- Explore remit and focus of the Councillor IT group and officer IT group.
- Identify the business and culture changes that may be necessary for successful collaboration.

Strategic

- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Develop a Cloud strategy and consider broader strategic themes such as cyber security and resourcing.
- Develop a timeline for implementation of the shared service, potential scale of team required, impacts on staff (TUPE) etc. Feedback from the District and Borough Councils suggests a longer roadmap of around 5-10 years would be appropriate and the District and Borough Councils should proactively work towards commonality during this period.
- Develop Governance framework once joint working approach confirmed.
- Build a centre of excellence through sharing challenges and expertise.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT Infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1

3C ICT

Description

- 3C ICT is a shared ICT service established in 2016 between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council.
- The main aims of creating shared service included providing improved value for customers, creating an attractive place to work, safeguarding clients and income generation.
- Services include day-to-day customer support via the Service Desk software and business applications support network and infrastructure services.
- Within the 20/21 Business plan for ICT Shared service, challenges identified around infrastructure include: managing a large infrastructure with the current level of resources; addressing gaps in separate infrastructures as they are migrated onto the new server and ensuring infrastructure meets the design of all Districts.

Benefits

- Service resilience as fewer single points of failure.
- Reduce probability and impact of service outages.
- Savings through reduced management costs and economies of scale.
- Collaborative innovation: increased scale enables investment in roles such as technical architect / IT Analyst, which will be the catalyst for accelerating the design and delivery of next generation council services.
- Overall savings of 3C ICT financial savings 18/19 - £550,000.

Sources: LGA shared service map table 2019 - [Link](#)
Business Plan for ICT Shared Service 2020/21 - [Link](#)

Case Study 2

Essex online Partnership

Description

- The Essex Online Partnership (EOLP) is a technology partnership with membership from public authorities across Essex (including Essex Local Authorities, Essex Fire & Rescue and Essex Police).
- Established in 2002, the purpose of the Essex Online Partnership (EOLP) is to share knowledge, resource and services to provide technology solutions which support the business needs of each partner organisation and reduce the cost of their technology.
- Recent example of successful collaboration includes the development of the data tool VIPER (Vulnerable Intelligent Persons Emergency Response), enabling category one responders to plan, deliver and monitor the success of an emergency planning response digitally and in real-time to help protect the most vulnerable residents.

Benefits

- Financial savings identified across the partnership since inception in 2002 to 2019 is £7,019,832.
- Supports the development of integrated and accessible local services to Essex residents and businesses.

Sources: LGA shared service map table 2019 - [Link](#)
VIPER case study - [Link](#)

Case Study 3

OneSource

Description

- OneSource is a shared service partnership formed between Newham London Borough Council and Havering London Borough Council in 2014.
- This brought together 22 back-office services and 1300 staff with the aim of streamlining processes and teams, and considerably reducing corporate support costs in order to protect front-line services.
- Both Local Authorities were also part of the One Oracle Project. This involved a shared IT platform (of Oracle's ERP software) between six London Borough councils.
- The members of the One Oracle partnership agreed not to continue with the current arrangements beyond July 2018 when the contract ended with Capgemini who hosted the service. This was at least partly due to uncertainty around which councils would remain in the partnership and therefore impacted on potential cost for each council to continue the partnership.

Benefits

- Reducing duplication.
- Sharing skills/resources between Local Authorities.
- Minimise costs for hosting and upgrades which can be directed to frontline services.

Sources: LGA shared service map table 2019 - [Link](#)
Newham article - [Link](#)
London Borough of Croydon public notice of key decisions - [Link](#)

Delivering Economic Development

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

A coordinated approach to economic development between the District and Borough Councils and the County Council (and other partners), to maximise the impact of investment and development funding. A group view on the benefit of investment in to any of the District and Borough Councils will help to strategically place proposals for further investment and development funding, prioritising and maximising the benefit of Surrey as a whole.

Potential benefits

Residents

- Promote the economic, social and environmental wellbeing of the areas.
- Employment opportunities as more businesses develop in the area.

District and Borough Councils

- Access to wider skills and greater capacity to build regional strength and capitalise on investment opportunities.
- Opportunity to tackle key problems that exist across the District and Borough Council boundaries.

County Council

- Additional inward investment and funding in to Surrey, with a more strategic view on bidding for funding that benefits residents and County.

Current situation / Service Quality

Current service delivery

- Individual District and Borough Councils have their own economic development strategies in place.
- Mole Valley - Economic Development team is leading on the Opportunity Dorking town centre economic regeneration programme (includes promoting businesses to grow and stay in the area).
- Spelthorne Business Forum is a partnership between the business community and Spelthorne Council as a means of promoting economic growth within Spelthorne. They will be soon launching their own business Incubator which will provide a base for entrepreneurs and new businesses.

Risks

- **Legal set up of partnership/collaboration** – Due to different priorities and existing economic development programmes in place, the District and Borough Councils may be less willing to agree to a formal collaboration that requires mandatory financial contributions and restricts freedom of decision making.
- **Commitment** - If a partnership or working forum is agreed, then without a formal legal document there is no guarantee that commitment won't fall away.
- **Conflicting interests** - There are likely to be conflicting investment and funding views across the Councils, in respect to risk appetite and funding requirement.

Delivering Economic Development

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Public Interest

- Local businesses.

District and Borough Councils

- Economic development teams.

External Bodies

- Existing business and potential investors into the area.

Next Steps

Medium term actions

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Agree to definition of 'economic development.'
- Raise awareness of One Surrey Growth and consider remodifying other bodies and forums that exist.
- Discussions with County Council needed around how to widen influence of the District and Borough Councils..
- Explore areas for immediate joint working such as Additional Restrictions Grant.
- Explore the financial potential of the opportunity, and potential funding pots available.
- Identify areas where a collective view on economic development has helped previously.
- Ensure that development plans have engagement from members, leadership and some form of accountability.
- Share resources between the District and Borough Councils to resolve current resourcing issues and fill skills gap.
- Understand opportunity linked to Community Development Fund (SCC) – to be channelled through Joint Committees.
- Collective lobby for additional funding for Surrey as a whole.
- Obtain feedback from residents and utilise local knowledge to feed in to investment and development decisions.

Strategic

- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Work towards the Surrey Growth Board becoming the overarching body that holds economic development plans together.
- Work towards establishing a Surrey wide body that could be linked to a Combined Authority.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1

Lancaster and South Cumbria Economic Region Partnership

Description

- A formal, shared link between South Lakeland District Council, Lancaster City Council and Barrow Borough Council to build on collective strengths, increase their capacity to deliver on key issues affecting the region and drive economic development across the Lancaster and South Cumbria Economic Region.
- A Joint Committee has been appointed and acts as a key strategic forum, making representations and recommendations to national and local government and has direct oversight of key growth-focused initiatives across the region.
- Lancaster & South Cumbria Economic Region Business Prospectus was launched in June, promoting potential for investment in the economy around Morecambe Bay.

Benefits

- Attract more external investment.
- Greater resources and capacity to tackle key issues (such as climate and poverty) and accelerate growth within the area.

Sources: LGA shared service map table 2019 - [Link](#)
 Article on committee formation - [Link](#)
 Lancaster and South Cumbria Joint Committee report - [Link](#)

Case Study 2

Growth Lancashire

Description

- A business support and economic development company. It is owned by several Lancashire local authorities and operates across the County.
- Board comprises local business leaders and members from local councils.
- Focuses on supporting businesses to grow, caring for and developing Lancashire's heritage and cultural assets, securing and delivering external funding, and promoting Lancashire and encouraging investment.
- They are a member of the Northern Powerhouse Partners Programme and a delivery partner for Lancashire's Business Growth where they are contracted to deliver business advice to Lancashire's business and help match them to relevant funded support programmes. During 19/20 they worked with more than 450 of Lancashire's SMEs.

Benefits

- By pooling resources and expertise, they can deliver projects across boundaries to achieve faster results.
- Attract greater levels of private sector investment.

Sources: LGA shared service map table 2019 - [Link](#)
 Growth Lancashire website - [Link](#)

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Shared approach to Housing

The District and Borough Councils working together to approach the challenge of housing provision across Surrey. This includes looking at the development of new housing to meet housing requirements for Surrey as a whole, as well as topics such as social housing, vulnerability and accessibility of housing across the District and Borough Council boundaries. Housing demand is not limited by the boundaries in which the District and Borough Councils operate, and having an collective approach to these challenges may provide alternative solutions to meeting housing targets and demand.

Potential benefits

Residents

- Increased supply of affordable housing.
- Reduce homelessness within the local area.

District and Borough Councils

- Sharing of knowledge, resources and data (e.g. around procurement, best practices).
- Council's better placed to address housing shortfall.
- Greater co-ordination which could help reduce empty homes.

County Council

- Simplification of the number of parties that the County Council must communicate and work with. Fewer engaging parties and more streamlined operations.

Current situation / Service Quality

Current service delivery

- **Surrey Chief Housing Officers Group** – A quarterly meeting between Chief Housing Officers from the District and Borough Councils. There are various operational groups that sit beneath it, such as Surrey Housing Needs Managers group (focussing on homelessness and demand for social housing) and Surrey Enabling Officers Group (enabling and delivery of affordable housing). There is collaborative work undertaken on an ad hoc basis through these structures, but no formal work programme and there is no specific staffing resource employed to drive work forward.
- **Surrey Community Housing Partnership** - Initiative delivered by Surrey Community Action to promote and support community led housing in Surrey. The partnership is between Surrey Community Action and eight Surrey Borough and District Councils.
- **Search Moves choice-based lettings scheme.** Elmbridge have an agreement with Spelthorne, PA Housing (housing association) and a software provider, Locata, relating to management of housing register, nominations to social housing vacancies and database management of homelessness.

Risks

- **Conflicting interests** - Balancing each District and Borough Council's own organisational interest with the collective interest of all partners involved. Each District and Borough Council will have varying needs and priorities which means compromise will be key to the success of any collaboration.
- **Different targets and plans** - Housing targets continue to be set at a District and Borough level, and there are ongoing Local Plans which will limit the ability to work collaboratively across boundaries.
- **Upfront financial investment** - Significant financial investment may be required up-front to approach development of new housing.

Shared approach to Housing

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Residents

- Citizens eligible for social housing.

District and Borough Councils

- Social housing teams and partnerships across the District and Borough Councils.

External Bodies

- Housing Authorities.

Next Steps

Medium term actions

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration.
- Understand skills gaps, requirements and existing expertise of officers.
- Engage with residents to understand views and objections to developing a shared approach to housing.
- Work with County to secure the provision of land.
- Explore joint working on associated services such as repairs.
- Engage with developers together to maximise supply of housing.
- Share resources related to procurement for those Districts and Boroughs that have retained housing stock.
- Understand demographics and who may be willing to move between the District and Borough Councils.

Strategic

- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Incorporate local plans in new joint approach to ensure affordable housing targets are met but also the varied needs to each District and Borough Council.
- Develop Governance framework once joint working approach confirmed.
- Develop a timeline for implementation of the shared service, potential scale of team required, impacts on staff (TUPE) etc.
- Assess intrinsic links to planning and housing, and the potential impact this may have on key topics from skills to biodiversity.
- Explore potential impact of the Housing White Paper to help establish direction for future collaboration.
- Determine how collaboration can drive outcomes through provision of homelessness support.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1 Greater Manchester: Housing Joint Venture

Description

- Joint venture between Greater Manchester Combined Authority (GMCA) and Greater Manchester Housing Providers (GMHP).
- GMHP are substantial investors in the Greater Manchester community. In recent years members of the group have been delivering around 40% of new homes across Greater Manchester.
- The joint venture will act as an LLP with a £3m investment from each housing association as well as a £2m contribution from GMCA in return for a 20% stake in the joint venture. The associations will own the remaining 80%.
- The partnership will be a commercial developer, buying land and securing planning permission to build and sell land on the open market.

Benefits

- Better placed to identify available land at an affordable price and therefore address the shortfall of housing more quickly.
- Due to expertise and resources available, the joint venture can take a flexible approach to meet the needs of different boroughs.

Source: LGA - [Link](#)

Case Study 2 West Midlands Combined Authority (WMCA)

Description

- WMCA became the first region in the UK to introduce its own localised definition of affordable housing which is based on local people paying no more than 35% of their salary on mortgages or rent. The current definition is 80% of market value which is not affordable to many.
- This is significant as any development receiving WMCA investment must make a minimum of 20% of the homes in their scheme affordable.
- In order for the Midlands to meet future housing demand and build 215,000 new homes by 2031, the WMCA also introduced a 'brownfield first' policy where new homes and commercial developments are built on former industrial land wherever possible and has secured new funding from national government to help achieve this (received a £41m housing deal payment towards the end of 2019 to fund building new homes on Brownfield land).

Benefits

- A total of 16,938 properties were built in 2018/19 - a 15% rise on the previous year and twice the UK average increase.

Source: WMCA website - [Link](#), [Link](#)

Case Study 3 West Midlands Homelessness Taskforce

Description

- Launched in May 2017, the taskforce includes 7 Local Authorities, key public sector agencies, representation from Voluntary and Not for Profit sector and senior representation from the Business Community.
- Their aim is to support local authorities and public services in addressing the prevention and relief of homelessness. They share intelligence, approaches and provide support to each local authority who set their own homelessness strategy.
- Task Group set up to identify gaps, challenges and asks. Subsequently identified five objectives:
 - Accessible, affordable accommodation.
 - Tackling welfare related poverty.
 - Access to good employment.
 - Information, advice and guidance.
 - Integrated prevention.

Benefits

- Reduce homelessness - They supported West Midlands Combined Authority's bid in receiving £9.6m of funding for a project (Housing First Programme) aimed at getting rough sleepers off the streets of the West Midlands. They also convened a meeting of Local Authorities, Housing First providers; mental health practitioners and commissioners to identify opportunities and for gaps to be addressed.

Sources: West Midlands Combined Authority Board Report dates 28/06/2019 - [Link](#)
WMCA website - [Link](#)

Shared Leisure Services

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

A shared approach to contracting for leisure services across the District and Borough boundaries. With a number of contracts coming to tender, a collective approach to the procurement of leisure provision would support effective financial management. Once there is a holistic view of the leisure contracts and provision across the County, a strategic approach to contracting, potentially procuring one partner to deliver all Council services at a lower cost, and support the development of healthy lifestyles.

Potential benefits

Residents

- Better value leisure services.
- Supporting wellbeing, and including recovery plans for physical and mental health related to COVID-19
- Greater consistency of leisure services between Councils.
- Standardisation of service delivery.

District and Borough Councils

- Cheaper service provision.
- Increased purchasing power.
- Better use of public money, increased value for money and more services.

County Council

- Improved services to residents.

Current situation / Service Quality

Current service delivery

- A range of leisure service contracts are in place across Councils, with a number coming to tender in the next few months/years.
- There is an opportunity to leverage this timing to the benefit of residents and improved services.

Risks

- **Loss of localism** - Potential loss of localism and control due to centralisation of services, there may be limited political and customer appetite for this.
- **Existing contracts** - Contract timing may limit the potential short term benefit of shared contracts, or incur costs from break clauses.

Shared Leisure Services

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Stakeholders

Public Interest

- All customers who receive and use leisure services.

District and Borough Councils

- Leisure service teams, including health and social care.

County Council

- Adults and children's social care.

External Bodies

- Active Surrey and Surrey health partnerships.

Next Steps

Medium term actions

- Agree on the Districts and Boroughs that want to pursue joint working in this area and commence discussions on possible types of collaboration (e.g possibility of a shared contract to realise greater savings, buying power and contract negotiation resources).
- Begin to develop a comprehensive view on service contracts for leisure, third party providers, and contract end dates across the District and Borough Councils.
- Confirm which services are mandatory, which are additional and those that are common across the District and Borough Councils.
- Review existing Governance structures and baseline financial and service elements.

Strategic

- Develop a joint strategic approach and agree to the aims and scope of joint working in order to build commitment and clarity from the outset.
- Develop a timeline for implementation of the shared service, potential scale of team required, impacts on staff (TUPE) etc.
- Develop Governance framework once joint working approach confirmed.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Learning from elsewhere

Case Study 1

Greenwich Leisure Ltd (GLL) (trades as 'Better')

Description

- A social enterprise created by Greenwich Council that operates under the brand 'Better' and runs leisure centres in more than a dozen London boroughs.
- Now has partnerships with many councils outside London such as York, Oxford and Manchester City Council (covering 18 facilities, including the national performance centres for cycling, basketball and squash).
- In 2018, the GLL Group directly managed over 400 facilities including leisure centres, play centres, children centres and libraries in partnership with over 60 local councils and other organisations.
- Surplus is reinvested into training staff and upgrading facilities.

Benefits

- More accessible and affordable to customers.
- Financial savings – Greenwich Council identified potential savings of £400,000 a year through reduced management fees for the leisure and library services provided by GLL. After extending their contract with GLL to 2031.

Sources

Royal Borough of Greenwich Cabinet report 22/07/2020 - [Link](#)
 GLL homepage - [Link](#), [Link](#)

Case Study 2

Bridgend County Borough Council and Halo Leisure partnership

Description

- Halo is a registered charity and social enterprise that manage eight leisure centres and swimming pools in Bridgend County Borough.
- The purpose of the partnership is to develop healthier communities and to provide a sustainable leisure service that meets the need of residents.

Benefits

- Improved quality of service to residents– Their partnership was recognised by UK Leisure industry quality assessor Quest for the quality of service provided.
- Reduced management costs.

Source

Corporate plan 2018-2022 - [Link](#)

Conclusions and next steps

Having explored potential opportunities for collaboration, and outlined a series of tactical and strategic next steps for each individual opportunity, there are a series of collective next steps that could be considered.

Conclusions

Eight opportunities for collaboration have been identified and explored in detail as part of this work. Each of these represents an opportunity for the District and Borough Councils to explore greater joint working, explore potential financial savings, develop closer working relationships.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Though these eight opportunities represent a prioritised list of areas for exploration, it should be noted that the design principles for collaboration could be applied to all District and Borough Councils services, as well as County Council services should this be an avenue to explore as part of an overall programme.

The continued close working of Chief Executives and Leaders in particular will support collaboration.

Although the primary focus is collaboration within the Surrey footprint, this will not preclude engaging with neighbouring Councils for example, where it makes sense to do so. Joint working opportunities with other public sector organisations may also be explored as part of developing business cases, and the potential financial benefits by opportunity and at a programme level should be explored in a collaboration business case.

Next steps

To maintain momentum and progress towards collaboration, a coherent programme of work could be developed to prioritise and progress the eight priority areas for collaboration. This would help to hold the Councils to account for progress being made, and set a roadmap for progress over the medium term.

Alongside this, there are a series of logical next steps which are common themes across each of these opportunities, which should be explored:

- Agree a governance structure for the collaboration programme that facilitates the agreed Design Principles.
- Agree the strategic direction, aims and detailed scope of the collaboration opportunity in order to build commitment and clarity from all parties from the outset.
- Decide on the type of collaboration and which District and Borough Councils will commit to initial involvement. This will depend on a number of factors such as willingness to collaborate in the service category and the potential geographic footprint for collaboration.
- Develop a detailed timeline for the implementation of an opportunity, and work proactively towards commonality where necessary.
- Develop a consolidated view of key contracts and providers across services and Councils to determine alignment and opportunities for contract consolidation.

Next steps



Overall conclusions

It is recommended that momentum is maintained following the joint work that has been undertaken, focussing on driving forward collaboration opportunities, whilst continuing to explore the LGR options.

What could Surrey District and Borough Councils do next?

It is recommended that ongoing progress is made against both the assessment of potential options for LGR and delivery of identified collaboration opportunities between Councils.

Council and public engagement on LGR, alongside further deep dives in to the elements of service provision that are currently delivered by the County Council (for example, Children's services), will provide Councils with an additional layer of preparation for future reorganisation should that be required. Work that is completed now to help align the efforts of Councils will be influential and beneficial for any future potential LGR, regardless of outcome, while delivering benefits for residents.

Collaboration as a basis for working will help improve the resilience of District and Borough Councils. All councils have agreed to respond to the scale of the financial challenge, and this should be used to make significant progress in this area.

Progressing Opportunities

A series of detailed next steps for each of LGR and collaboration are detailed on the next pages, however they should not be viewed in isolation. Collaborating on a footprint aligned to potential future collaboration may not only facilitate accelerate success with fewer parties involved, it can also help to align activities and strengthen a potential future case for LGR.

Collaboration opportunities could be assigned to delivery owners, being taken forwards by project officers (capitalising on the existing forum that has been set up) who would be responsible for progressing a programme

of collaboration across Surrey, with senior Political and managerial oversight by Leaders and Chief Executives. The eight identified opportunities have identified next steps. Some of these elements would deliver quick wins to prove the concept of collaboration, as well as gain public and political buy-in. Other elements are, by their nature, longer term and strategic but will create significant impact.

There is no assumption that one form of collaboration is right for Surrey, this may be specific to opportunity, and the right delivery model may not need to be agreed at the outset to secure gains. Successful collaboration will be dependent on the right conditions, including trust between parties.

Conclusion

It is recommended that momentum is maintained across both strands of work in the short term, with a focus on driving forward collaboration opportunities whilst maintaining awareness and foresight in relation to any future LGR. The scale of challenge from Central Government, both financially and in relation to potential structural changes, is significant, however the District and Borough Councils should remain ambitious and continue to work jointly in seeking to address the challenges.

Accelerated Next Steps

The speed at which LGR and collaboration opportunities are progressed is dependent on commitment from District and Borough Councils. The following next steps could be explored to fast track each area:

Accelerated next steps for LGR options analysis

There is recognition that the topic of LGR has not gone away, with some geographies across the Country continuing to explore Cases for Change without formal invitations from Government. There the anticipation of a Whitepaper on Devolution, and the potential for a County Council Case for Change. As such, there are a number of accelerated next steps that would ensure that the District and Borough Councils are best placed to respond to a request from Central Government:

- **Public Consultation** – Public consensus on the proposed option for LGR within Surrey will be key to the selection process, and as such early public consultation on this topic will help align citizen, member and executive views.
- **County Functions** – District and Borough Councils could consider how current elements of County functions could be controlled and delivered, including how Councils can demonstrate such services could be effectively administered and any potential financial savings associated with this.
- **Local Representation** – A key topic for members and citizens will continue to be how unitaries impact local representation. As such models could be explored to ensure local representation is preserved in any future model for unitary government within Surrey.

Detailed next steps are outlined on page 62.

Accelerated next steps for collaboration opportunities

Collaboration can be explored regardless of the context around LGR. As such, there are immediate next steps which would maintain momentum and accelerate the delivery of benefits:

- **Programme Structure** – Appropriate governance and an agreed programme should be stood up to continue work on collaboration, engaging key parties from all Councils on an ongoing basis.
- **Opportunity Business Cases** – The opportunity cards which have been developed should be utilised as a basis for a business case for each opportunity. These should be strengthened with detailed scope, involved parties, and financial benefits which are accepted by the Councils involved.
- **Strategic Direction** – For key collaboration opportunities, strategic direction from Chief Executives and Leaders should be gathered. This should be developed through facilitated sessions with all engaged parties, working through potential issues to form a collective view on direction.

Detailed next steps are outlined on page 63.

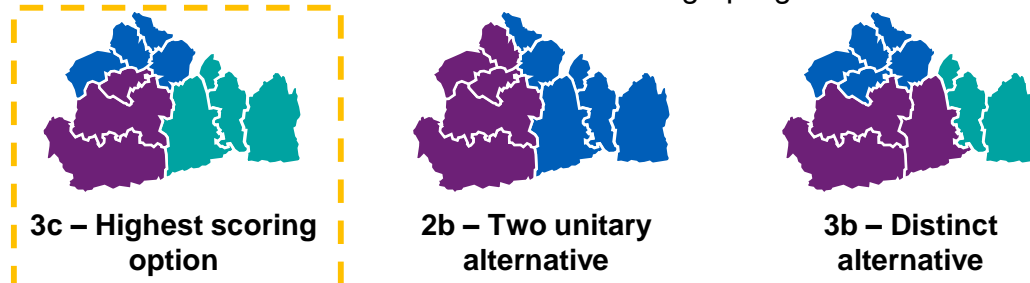
LGR - Conclusions and next steps

Having reviewed and evaluated the potential options for LGR within Surrey, we have identified a highest scoring option for unitary authorities, as well as a number of next steps.

Conclusions

Option 3c scored most highly in the assessment, and is the highest scoring potential option for unitary government from this analysis. The high scoring alternative models remain feasible options, however, based on the feedback received this model continues to be the highest scoring option.

As part of the feedback received, there was a desire to better understand more distinct alternatives to the options selected, and these could be explored as part of public consultation. These alternative models could explore a different number of unitaries within Surrey, and different footprints across the County. As such, three models have been identified for further consideration should a case for change progress:



Option 2b was identified as the highest scoring two unitary model, and option 3b was identified as the highest scoring three unitary model which had three District/Borough Councils in an East authority.

As noted earlier in this section, an alternative that has been put forward that may need to be considered by the District and Borough Councils is the option of enhanced two tier government. However, it is noted that this is unlikely to be accepted within a LGR Case for Change due to no reorganisation in structural form.

Next steps

Public consultation on the potential options would help to build engagement and consensus.

More detail could be considered on areas identified as part of feedback on the unitary models:

- Health and social care integration.
- Economies of scale.
- Retention of local knowledge.
- Benefits of alternatives to the status quo / current state.
- County Council engagement.
- Strategic challenges for Surrey as a County.
- Local representation, town and parish Councils.
- Working with neighbouring authorities outside of Surrey.

It is recommended that the following steps are explored:

1. Council and public consultation on potential options for LGR.
2. Further investigation of proposed options to supplement analysis on key areas (e.g. health and social care).
3. Engagement with the County Council, where appropriate, to consider options collaboratively.
4. Exploration of potential collaboration opportunities to address ongoing Council challenges.

Collaboration - Conclusions and next steps

Having explored potential opportunities for collaboration, and outlined a series of tactical and strategic next steps for each individual opportunity, there are a series of collective next steps that could be considered.

Conclusions

Eight opportunities for collaboration have been identified and explored in detail as part of this work. Each of these represents an opportunity for the District and Borough Councils to explore greater joint working, explore potential financial savings, develop closer working relationships.

New approach to Waste Collection, Commercial and Disposal	Standardisation of Revenues and Benefits	Sharing Building Control	Procurement
IT infrastructure	Delivering Economic Development	Shared approach to Housing	Shared Leisure Services

Though these eight opportunities represent a prioritised list of areas for exploration, it should be noted that the design principles for collaboration could be applied to all District and Borough Councils services, as well as County Council services should this be an avenue to explore as part of an overall programme.

The continued close working of Chief Executives and Leaders in particular will support collaboration.

Although the primary focus is collaboration within the Surrey footprint, this will not preclude engaging with neighbouring Councils for example, where it makes sense to do so. Joint working opportunities with other public sector organisations may also be explored as part of developing business cases, and the potential financial benefits by opportunity and at a programme level should be explored in a collaboration business case.

Next steps

To maintain momentum and progress towards collaboration, a coherent programme of work could be developed to prioritise and progress the eight priority areas for collaboration. This would help to hold the Councils to account for progress being made, and set a roadmap for progress over the medium term.

Alongside this, there are a series of logical next steps which are common themes across each of these opportunities, which should be explored:

- Agree a governance structure for the collaboration programme that facilitates the agreed Design Principles.
- Agree the strategic direction, aims and detailed scope of the collaboration opportunity in order to build commitment and clarity from all parties from the outset.
- Decide on the type of collaboration and which District and Borough Councils will commit to initial involvement. This will depend on a number of factors such as willingness to collaborate in the service category and the potential geographic footprint for collaboration.
- Develop a detailed timeline for the implementation of an opportunity, and work proactively towards commonality where necessary.
- Develop a consolidated view of key contracts and providers across services and Councils to determine alignment and opportunities for contract consolidation.

