Surrey District and Borough Councils

Local Government Reorganisation and Collaboration

December 2020

Final Draft

Contents

Surrey District and Borough Councils

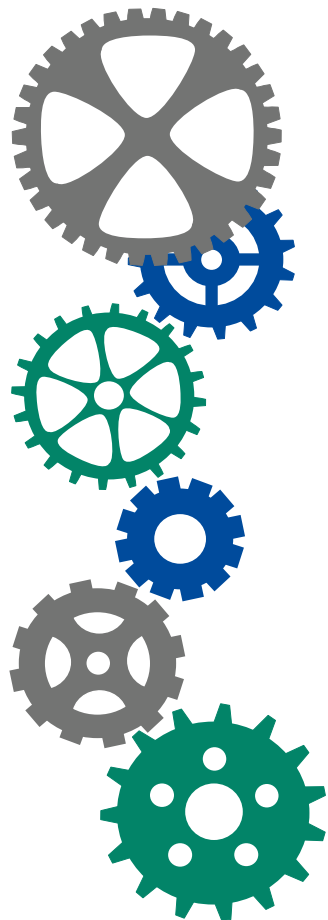# Executive Summary

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?
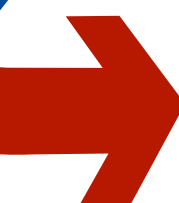
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Why assess LGR options and collaboration?

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.

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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.

3c – Highest scoring option | **2b – Two unitary alternative** | **3b – Distinct alternative**

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.

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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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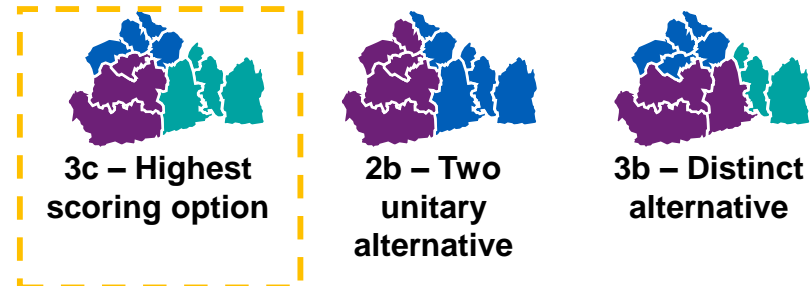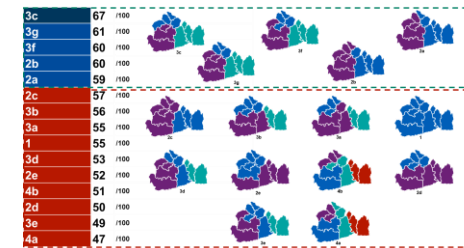| Evaluation categories	
Service delivery	Democratic Representation
Growth	Financial benefits and sustainability

3c – Highest scoring option | **2b – Two unitary alternative** | **3b – Distinct alternative**

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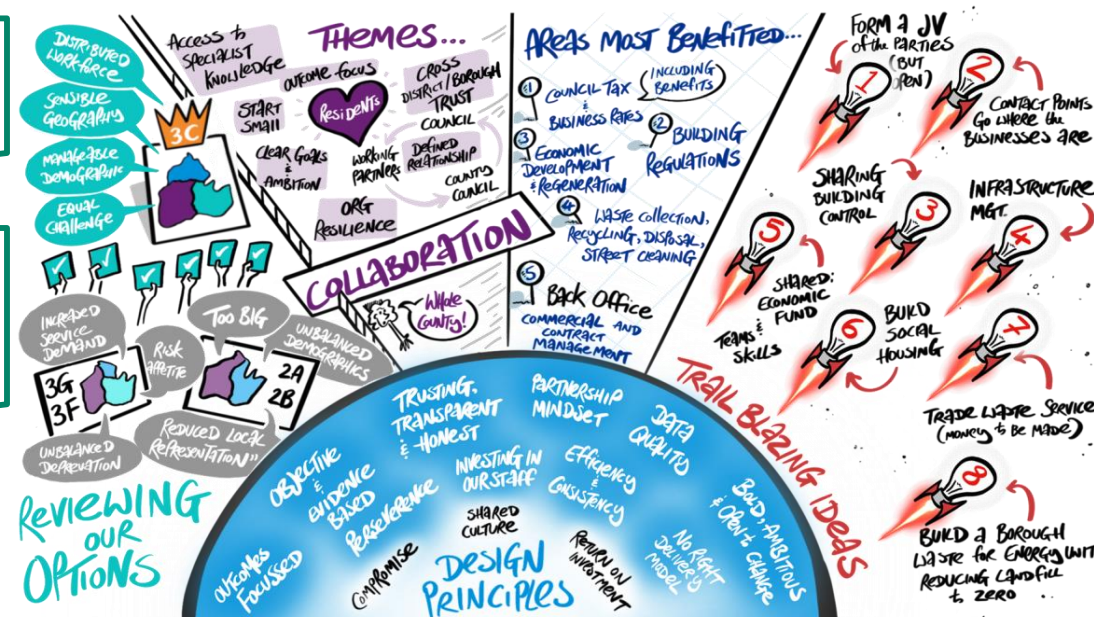
- There are series of next steps and requirements in order to deliver collaboration and continue this work. *Page 58*

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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.

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Background, scope and approach

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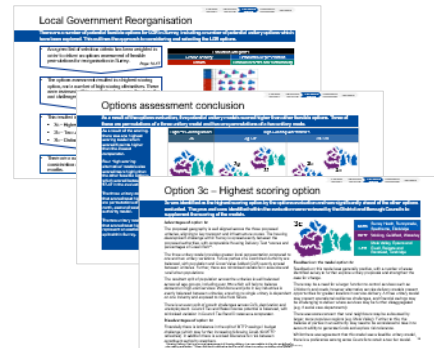
Analysis of potential options for LGR, including: outlining the approach to assessment, long and short lists of options, recommended options and next steps.

2 **Collaboration Opportunities**
(Pages 24-58)
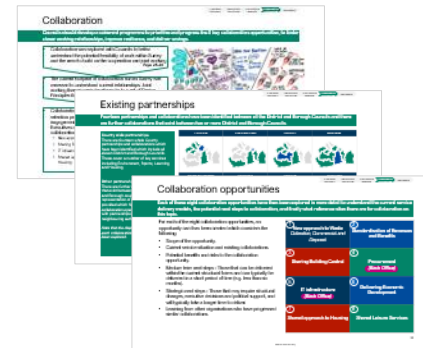
Assessment of potential options for collaboration in Surrey, including: principles for collaboration, priority opportunities including detail, and proposed tactical and strategic next steps.

3 **Next Steps**
(Pages 59-63)
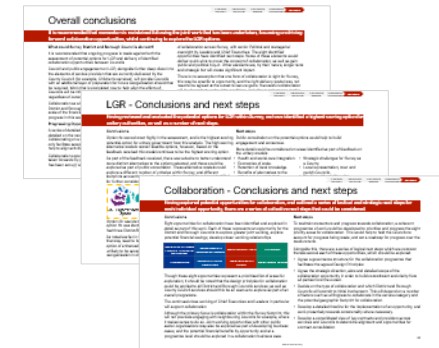
A proposed approach to further explore LGR and collaboration in Surrey.

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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

Options analysis and evaluation

Development of Design Principles

Development of collaboration opportunities

Finalising the report

Stakeholder engagement

1 Workshop 1: Evaluation Criteria and Design Principles

2 Workshop 2: Options Evaluation and Collaboration Opportunities

3 Workshop 3: Opportunity Next Steps
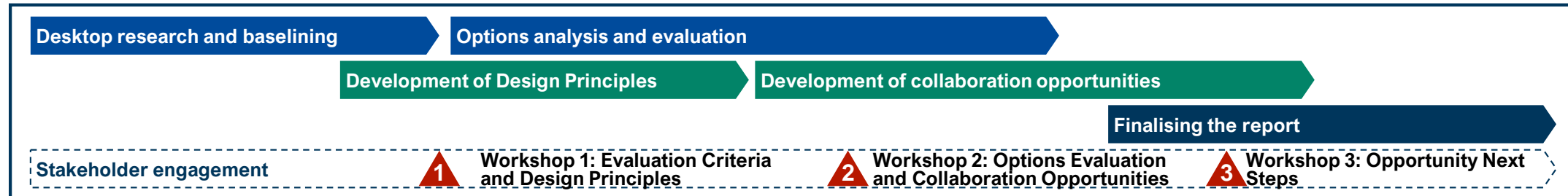
Desktop research and baselining

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.

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Local Government Reorganisation - Options Analysis

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.

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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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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.

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- 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

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  - 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	67 /100
3g	61 /100
3f	60 /100
2b	60 /100
2a	59 /100
2c	57 /100
3b	56 /100
3a	55 /100
1	55 /100
3d	53 /100
2e	52 /100
4b	51 /100
2d	50 /100
3e	49 /100
4a	47 /100

3c – Highest scoring option | **2b – Two unitary alternative** | **3b – Distinct alternative**

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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
- Geography for service delivery
- Minimal service disruption
- Manageable demographics and demand
- Partnership working
- Housing development provision
- Capacity and resilience
- Workforce

Democratic representation
- Effective local representation
- Identity and functional economic geography
- Representation within a Combined Authority

Growth
- Economic growth potential
- Clean economic growth
- Inclusive economic growth

Financial benefits and sustainability
- Enables a future Combined Authority
- Long term financial benefits
- Costs of reorganisation
- Reorganisation complexity
- Level of Council tax equalisation
- Income potential
- Reserves
- Organisational sustainability

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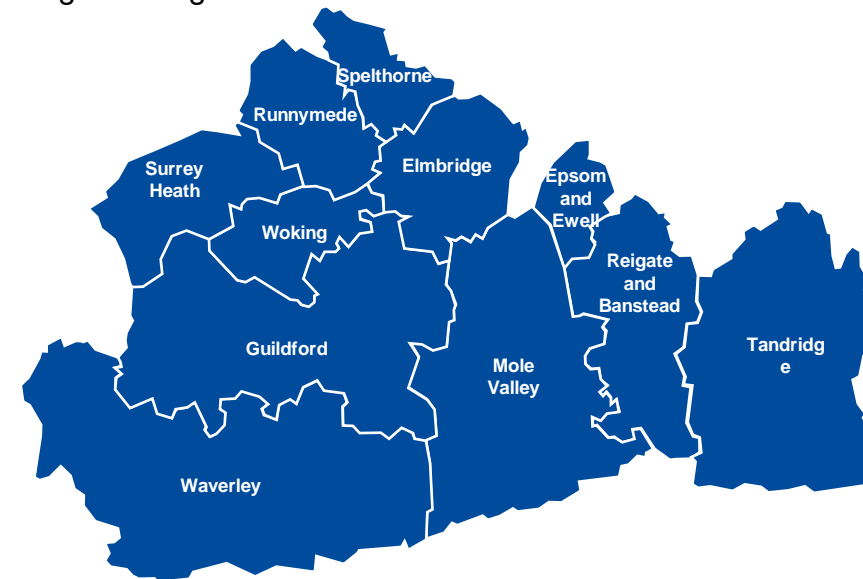
Options assessment conclusion
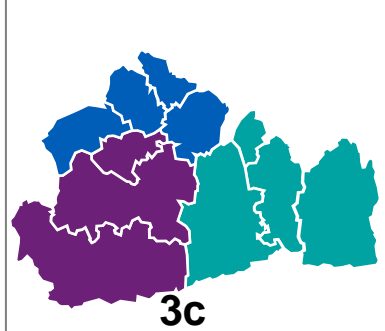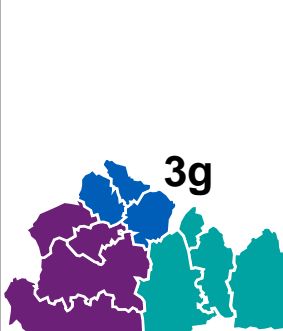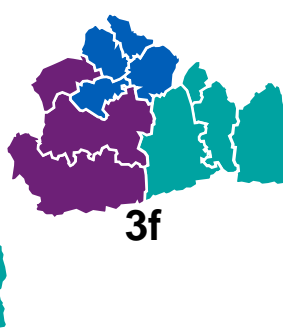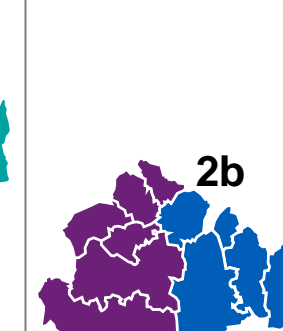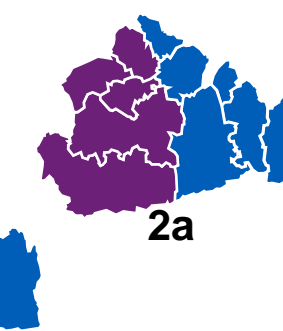
As a result of the options evaluation, five potential unitary models scored higher than other feasible options. Three of these are permutations of a three unitary model and two are permutations of a two unitary mode.

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%*	-	-

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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 increasing following Covid-19 MTFP refreshes). In addition there is a mixed tolerance for risk between constituent authority members.

3c
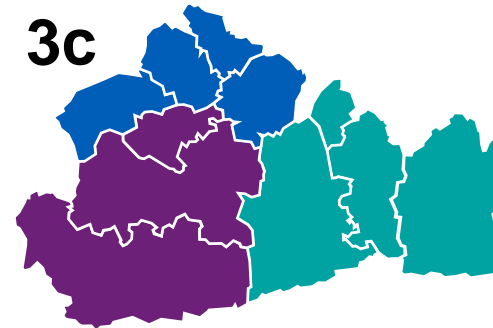
North	Surrey Heath, Runnymede, Spelthorne, Elmbridge
West	Woking, Guildford, Waverley
East	Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge

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.

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*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.*

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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.

3g
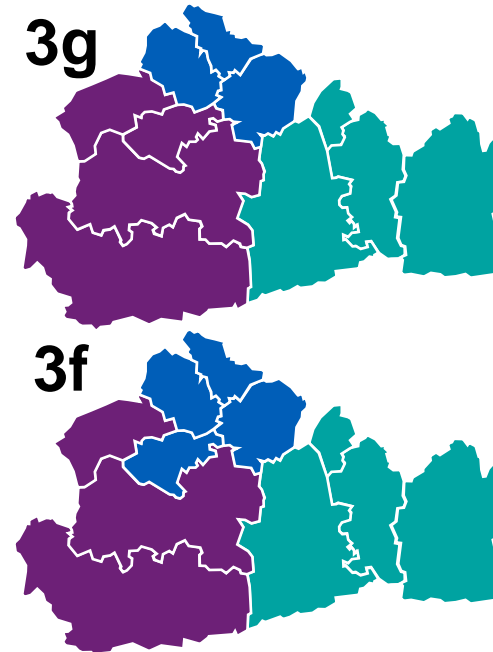
North	Runnymede, Spelthorne, Elmbridge
West	Surrey Heath, Woking, Guildford, Waverley
East	Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge

3f

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.

2b
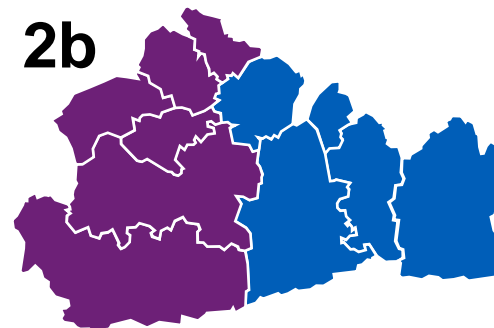
East	Elmbridge, Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge
West	Waverley, Guildford, Woking, Surrey Heath, Runnymede, Spelthorne

2a
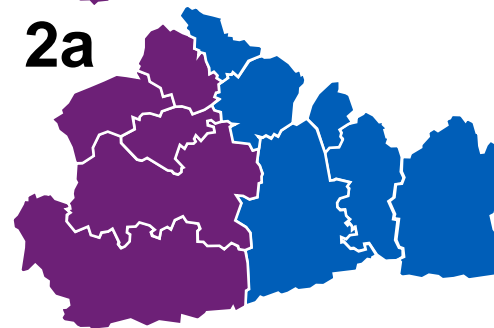
North	Spelthorne, Elmbridge, Mole Valley, Epsom and Ewell, Reigate and Banstead, Tandridge
West	Waverley, Guildford, Woking, Surrey Heath, Runnymede

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.

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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:

3c – Highest scoring option | **2b – Two unitary alternative** | **3b – Distinct alternative**

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.

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Collaboration Opportunities

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.

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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.

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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
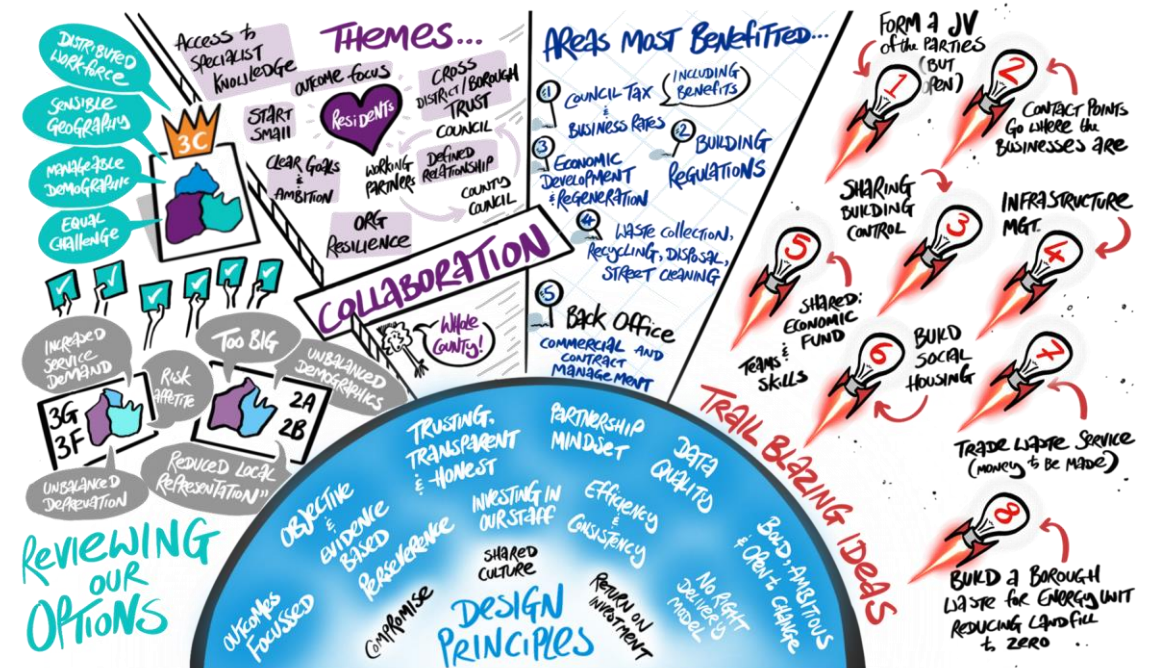
- There are series of next steps and requirements to deliver collaboration and continue the joint work that has been undertaken.
  Page 58

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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.
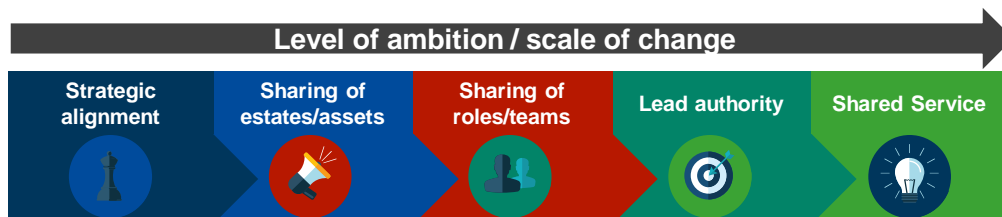
What are the different groupings of collaboration?

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.

Level of ambition / scale of change

| Strategic alignment | Sharing of estates/assets | Sharing of roles/teams | Lead authority | Shared Service |

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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.

Elmbridge | Epsom and Ewell | Guildford | Mole Valley

Reigate and Banstead | Runnymede | Spelthorne | Surrey Heath

Tandridge | Waverley | Woking

District and Borough Councils

Partnerships in place with other Districts and Borough Councils

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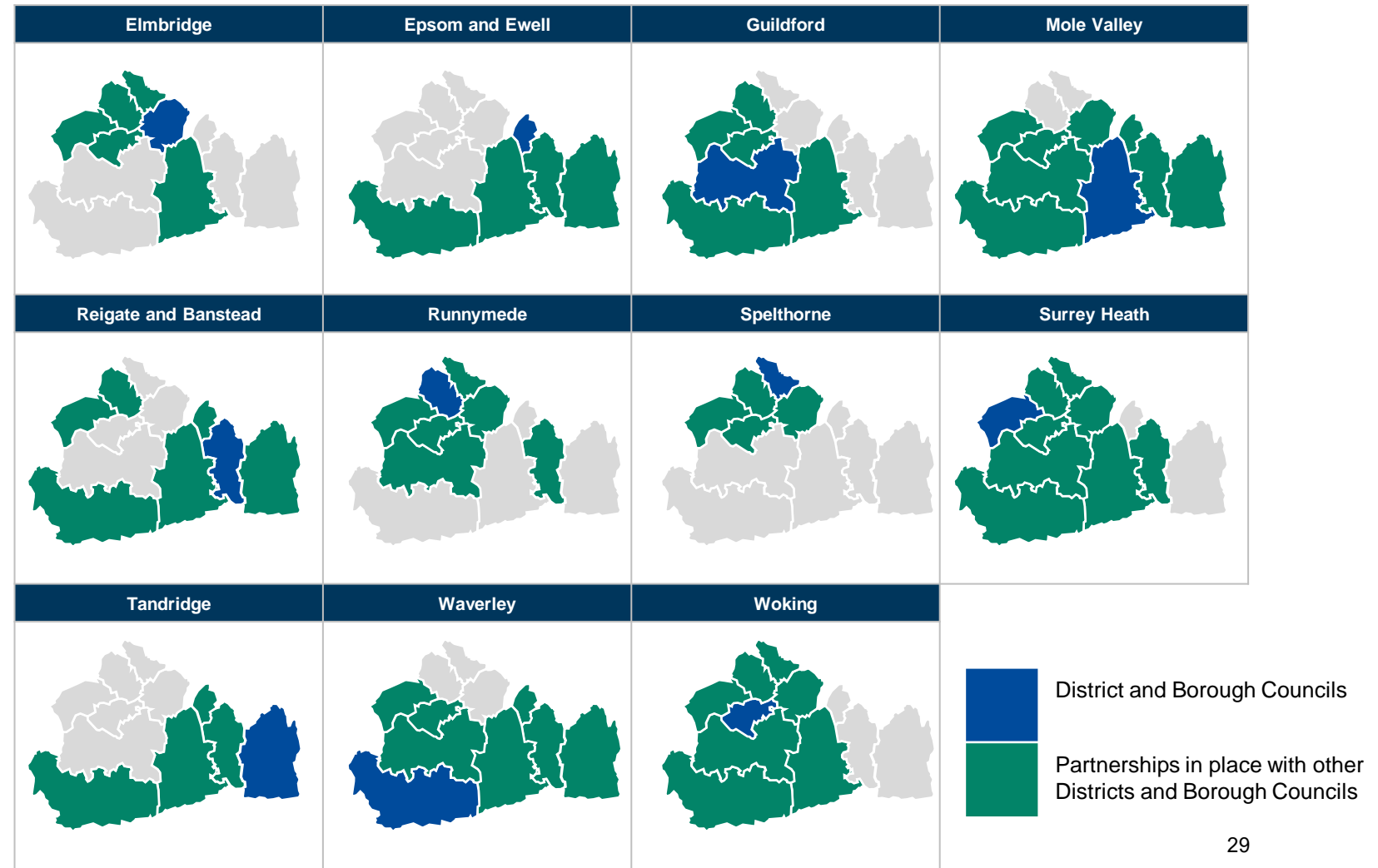
Current themes of existing collaboration and future aims

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.

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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.

#	Principle	Description
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.

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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

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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

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Draft for discussion only

New approach to Waste

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

| 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.

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New approach to Waste

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).

| Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps |

| 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	**Case Study 2**	**Case Study 3**
Yorwaste - waste provider	**Coventry & Solihull Waste Disposal Company (CSWDC)**	**East Sussex joint waste**

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.

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.

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.

Source: Yorwaste site - Link

Source: LGA shared service map table 2019 - Link

Sources:
LGA shared service map table 2019 - Link
East Sussex Joint Waste Strategy 2014-2025 - Link
East Sussex Joint Waste Management Strategy - Link

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| Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps |

| New approach to Waste Collection, Commercial and Disposal | Standardisation of Revenues and Benefits | Sharing Building Control | Procurement |
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Standardisation of Revenues and Benefits

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	Current situation / Service Quality	Risks

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.

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Executive summary	Background and scope	LGR Options Analysis	Collaboration opportunities	Next steps

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

Standardisation of Revenues and Benefits

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 discretional 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.

Learning from elsewhere

Executive summary | Background and scope | LGR Options Analysis | **Collaboration opportunities** | Next steps

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

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.

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.

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
Hampshire County Council website
Hampshire Shared Services Building the Partnership - Link

Source: LGA shared service map table 2019 - Link
OneSource website - Link

Source: LGA shared service map table 2019 - Link

Draft for discussion only

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

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

Sharing Building Control

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.

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Sharing Building Control

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

| 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.

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

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)*

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

| 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)

Executive summary | Background and scope | LGR Options Analysis | **Collaboration opportunities** | Next steps

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

Executive summary | Background and scope | LGR Options Analysis | **Collaboration opportunities** | Next steps

| 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.

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IT infrastructure (Back Office)

Executive summary | Background and scope | LGR Options Analysis | **Collaboration opportunities** | Next steps

| 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 |

Not withstanding 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.

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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.

Learning from elsewhere

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

| New approach to Waste Collection, Commercial and Disposal | Standardisation of Revenues and Benefits | Sharing Building Control | Procurement |
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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.

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.

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.

Draft for discussion only

Delivering Economic Development

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	**Current situation / Service Quality**	**Risks**
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 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.	• **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.

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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.

Learning from elsewhere

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

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

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

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.

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Executive summary | Background and scope | LGR Options Analysis | **Collaboration opportunities** | Next steps

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

Stakeholders	Next Steps	
	Medium term actions	**Strategic**

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.

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.

Learning from elsewhere

Executive summary | Background and scope | LGR Options Analysis | **Collaboration opportunities** | Next steps

| 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
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.

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.

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.

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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	Current situation / Service Quality	Risks
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 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.	• **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

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

| 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.

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Learning from elsewhere

Executive summary | Background and scope | LGR Options Analysis | Collaboration opportunities | Next steps

| 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

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.

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.

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.

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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.

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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.

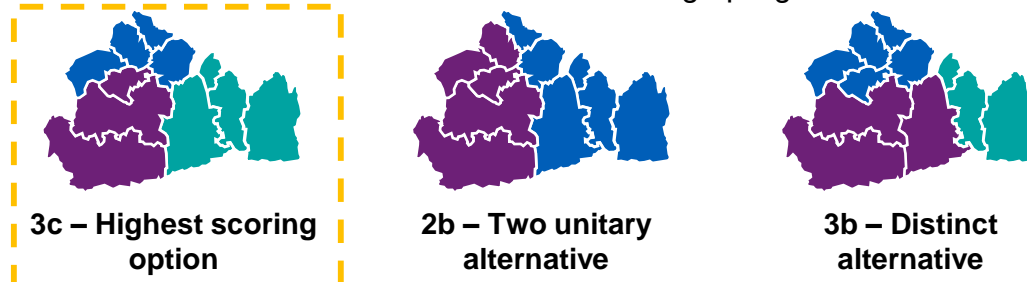*Detailed next steps are outlined on page 63.*

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:

3c – Highest scoring option   **2b – Two unitary alternative**   **3b – Distinct alternative**

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.

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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.

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Surrey District and Borough Councils