

# **Guildford and Waverley Collaboration**

10 May 2021 (Version 6)

# Introduction

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

The leaders of the 11 district and borough councils each expressed views, with the consensus being that a single unitary model was not supported. It was agreed that the districts and boroughs would collectively explore additional models and options for local government in Surrey and KPMG was commissioned to support this work.

Arising from KPMG's report, the leaderships of both Guildford and Waverley Borough Councils recognised that there is a strong case for councils to work together more intensively than before. Continued reduced funding from central government has been compounded by the Covid pandemic to present both councils with a critical medium-term financial challenge. Closer partnership working could bring substantial financial benefits, whilst protecting public services and keeping them local.

The potential opportunities have been explored by the two councils in joint workshops for executive councillors supported by the Local Government Association (LGA). This mandate now sets out the options for future collaboration between Guildford and Waverley Borough Councils ranging from a merger, fully integrated staffing structure, shared services and/or joint officer posts.

# Strategy

## 1. Why should a programme/project be started now?

Whilst Future Guildford is on course to deliver savings of around £8 million, our estimated budget gap over the period 2022-23 to 2025-26 is around £5.9 million. Therefore, we need to identify a range of savings opportunities to achieve a balanced budget in the medium term. Collaboration between Guildford and Waverley borough councils is one of three key strands of our savings strategy, together with reviews of discretionary services and our operational property.

## 2. What is the good idea, opportunity or problem to be solved?

To explore how much closer partnership working between the two councils can bring financial benefits at scale to ensure a sustainable future and protect valued local services.

## 3. What is the purpose of the programme/project and what outcomes or outputs will it deliver? List Success Criteria.

Success criteria include the scale of financial savings that can be achieved, more cost-effective delivery of services and new ways of working to maintain or enhance priority services. Reduced duplication, better economies of scale, more efficient ways of working and greater buying power.

## 4. What priority, corporate objective or strategy is fulfilled by this project?

Our Corporate Plan includes a strategic priority to use innovation, technology and new ways of working to improve value for money and efficiency in Council services. This specifically refers to developing options for alternative methods of delivery for relevant services, including joint working, shared services, trusts, mutuals and joint venture companies. In this case, joint procurement, property consolidation and integration of ICT systems would also provide opportunities. Given current financial pressures, collaboration with Waverley Borough Council is a vital part of delivering required efficiencies and maintaining quality of services.

# Options Evaluation

## 5. What are the potential strategic options to deliver a solution?

1. **Do Nothing** – Continue as at present, with opportunities for joint working with Waverley being pursued on a limited, ad hoc basis. This will not deliver the financial savings required from this workstream and would require more substantial spending reductions elsewhere.
2. **Do Minimum** – Pursue opportunities for joint officer posts when vacancies arise. This alone will not deliver financial savings at the scale or pace required, but could form part of a wider strategic approach to closer collaboration.
3. **Do More (1)** – Review services, back-office functions and procurement opportunities on a case-by case basis and prepare business cases for selected projects to be implemented as shared services. This could deliver financial savings and more cost-effective delivery in selected service areas, but would not deliver savings at the scale or pace of more extensive collaboration.
4. **Do More (2)** – Establish a single corporate management team with one chief executive as a first step early in the process to progress the full integration of the officer teams in both councils into one. The objective would be to have one shared officer resource working for two separate democratic councils. After initial one-off costs, this could deliver significant financial savings at a faster pace.
5. **Do Most** – Full merger of Guildford and Waverley borough councils. This would deliver the greatest financial savings, but the need for approval by the Secretary of State could affect the pace. There would be some loss of democratic representation and accountability and this is not likely to be acceptable to councillors.

At its meeting on 4 May 2021, Corporate Management Team approved this mandate for submission to the Executive Liaison Group.

The Executive Liaison Group approved the mandate at its meeting on 5 May 2021 for submission to the EAB(s).

# Considerations

**6. Who is the lead Director, Service Manager and Portfolio Lead who will lead and direct the project and who will be managing/using the projects products once they are handed over?**

James Whiteman (Managing Director) = Programme Director (SRO)

Claire Morris (Director of Resources)

Dawn Hudd (Director of Strategic Services) and Steve Benbough (Strategy and Communications Manager)

Joss Bigmore (Leader of the Council)

**7. What impact assessments have been undertaken and what are the impacts on other Service Leaders and/or other programmes/projects?**

We would need to screen any specific proposal to determine whether a full equality impact assessment is required.

**8. What general approach will the project take to deliver?**

The project would be delivered by the Strategy and Communications Manager as business as usual in consultation with the Corporate Management Team until such time as considerable change work was necessary.

**9. When and why must the project start and finish?**

The project has commenced with LGA facilitated joint workshops for executive members of both councils and briefing papers to all Councillors. A high level financial feasibility study is currently being scoped with completion expected in May/June and a final report at the end of June/early July.

The mandate is seeking views on options at this stage to inform the 2022/23 budget-setting process and to deliver savings as part of our savings strategy.

# Resources

## 10. Which stakeholders are or need to be, involved in the project

Corporate Management Team  
Leader of the Council  
Executive and full Council  
Waverley Borough Council  
Staff

## 11. What specialist resources (internal and external) are needed to consider this mandate and develop a strategic outline business case?

Internal Staffing – Legal, financial, procurement and human resources advice will be required to develop the business case. An inter-authority agreement would be required to underpin any partnership. This would include the objectives, cost/benefit apportionment, governance structures (including joint committee), dispute resolution, liability, insurance, employment of staff, data protection and sharing and termination and penalty provisions.

External Consultants – The LGA has been commissioned to support the early stages of this work, including peer support, mentoring and an initial high level scoping study. .

## 12. What Rough Order of Magnitude (ROM) are the likely Whole Life Costs (WLC) of the project and live service?

After initial one-off costs, we estimate that the preferred option (full integration of officer teams) could deliver annual savings in the region of £1 - £1.5 million. Further details will emerge as part of the financial feasibility study.

# Issues, Assumptions & Risks

## 13. What are the strategic Risks, Assumptions, Issues,

### Issues

Both councils need to provide political direction on the preferred option

Post Future Guildford, the operating models of the councils are not currently aligned

Waverley has not undertaken a transformation programme to deliver efficiencies in the way that Future Guildford has

Different contractual terms, pay and benefits for staff in each council.

Technology audits are required to understand current ways of working across processes, systems and technology

Consultation will be required with staff

### Assumptions

That significant financial savings can be delivered through much closer collaboration with Waverley Borough Council

Councillors understand that fuller integration models will need different expectations about the capacity/availability of senior staff

### Risks

Wider local government reorganisation in Surrey is revisited in the short-term causing a shift in focus

Much time and work being undertaken without delivering the required objectives (particularly in the case of individual shared services)

Closer collaboration and new delivery models may cause short-term disruption to services

Concerns from councillors about sovereignty, take-over and equity between the councils

Fuller integration would be more difficult to reverse without significant costs

If required savings are not delivered, spending cuts and service reductions will be needed in other areas

Full merger of the councils could lead to loss of democratic representation and accountability

# Dependencies, Constraints & Opportunities

## 14. What are the strategic Risks, Assumptions, Issues,

### Dependencies

- Clear shared vision for future collaboration by both councils
- Support and buy-in by councillors and senior officers
- Trust between the leaderships of the two councils
- Clear governance and transparent provisions for sharing resources and benefits

### Constraints

The challenging financial position faced by both councils requires the delivery of substantial savings through joint working  
Councillors are unlikely to wish to pursue a full merger at this stage due to the loss of democratic accountability and representation  
The councils would remain separate legal entities with their own (different) constitutions.

### Opportunities

- Reduced costs could sustain service delivery in areas that would otherwise be under threat
- Potential to provide new or enhanced services in some areas
- Potential to expand arrangements to include other neighbouring councils in future
- Demonstrate and strengthen the case for multiple unitary councils in response to future local government reorganisation in Surrey



# Reviewer List

## **Involved or Sighted so far and to be updated on changes**

Stephen Benbough, Strategy and Communications Manager  
Samantha Adam, PMO Officer  
James Beach, Lead Specialist (ICT)  
Ian Doyle, Service Delivery Director  
Faye Gould, Procurement Manager  
Dawn Hudd, Strategic Services Director  
Claire Morris, Director of Resources  
Louise Odell, Interim Project Officer  
Diane Owens, Lead Specialist (Legal)  
Francesca Smith, Lead Specialist (HR)  
James Whiteman, Managing Director  
Vicky Worsfold, Lead Specialist (Finance)  
Corporate Management Team  
Councillor Joss Bigmore, Leader of the Council  
Executive Liaison Group

## **Next to be consulted**

Executive Advisory Board