



REPORT TO EXECUTIVE

PORTFOLIO AREA: LEADER OF THE COUNCIL

Date of Meeting: 18 April 2010

Public

Key Decision: Yes

Recorded in Forward Plan:

No

Outside Policy Framework

Title: **OPTIONS FOR COLLABORATION WITH EDEN DISTRICT COUNCIL**

Report of: **Leader of The Council**

Report reference:

Summary:

Eden District Council's Executive resolved at its meeting on 8 April 2011 to recommend to their Council meeting on 14 April that Carlisle City Council is their preferred partner to share services with. Eden's proposals would begin with a joint Chief Executive and joint Management Team serving both councils followed by a fuller programme of shared services. A single team would in itself deliver cost savings to Carlisle and Eden. Further and wider reaching cost savings would potentially be made by this team managing a fuller programme of shared services and collaboration across both councils. Eden also resolved to recommend to its Council that Carlisle City Council be invited to work with them in developing the proposals with a view to reaching a formal agreement. It should be noted that the proposals recommended to Eden Council by its Executive do not relate to any aspects of each Council's sovereignty.

A verbal update will be given at the meeting following the Eden District Council meeting on 14 April. In the event of Eden's full council agreeing the Eden Executives proposals an invitation to Carlisle City Council would be forthcoming and the Carlisle Executive are asked to consider how it should respond to such an invitation.

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

Recommendations:

It is recommended that the Executive considers this report and decides on how it should respond to a possible invitation.

1. BACKGROUND INFORMATION AND OPTIONS

Many councils are considering opportunities for closer collaboration and shared management teams in order to drive down costs. The Local Government Chronicle reported on 17 March 2011 that more than 60 councils are discussing the possibility of merging their senior officer structures.

Eden District Council faces acute financial challenges in common with many smaller district councils and has been considering a partnership with another authority in order to make savings while protecting front line services. Eden established a Transformation Board to consider options – this board subsequently advised Eden's Executive resulting in the Council decision made on 14 April. Eden had, in selecting a preferred partner, settled on a shortlist comprising Carlisle City Council and South Lakeland District Council. In order for Eden's Transformation Board to consider the options in detail they were supplied with supporting information from both councils on the shortlist. The City Council supplied all the information requested by Eden – and made it clear that any commitment from Carlisle would follow a formal decision of members if and when Eden came forward with a proposal to collaborate.

Subsequently the Leader of Eden District Council recommended to Eden's Executive that Carlisle should be the preferred partner, and this was agreed at Eden's Executive Committee on 8 April. If approved at the meeting of the full Council on 14 April Carlisle City Council will now have to decide how to respond to the offer of a partnership with Eden.

The first significant step proposed by Eden in the partnership offer would be the establishment of arrangements for a single Chief Executive followed by a management team for Carlisle and Eden. This management team would then develop and deliver an agreed programme of shared services and collaborative projects.

The concept is straightforward and analogous to the model that was developed with Allerdale Borough Council in 2007/08.

To collaborate with Eden would be a significant decision for the City Council. There is no doubt that collaboration should deliver some efficiency savings for the City Council, there are however wider issues that members will wish to consider before coming to a view. Budget reductions are a reality of public service at this time and they represent both a constraint and a driver for improvement. However budget reductions are not the primary purpose of councils – the need to make savings should be balanced against the interests of the citizens, businesses and communities of Carlisle. This is the judgement that members will need to make.

To inform Carlisle's response to the offer from Eden, it is suggested that a working group is established to formulate a recommendation to Council. This group will be supported by officers, but would clearly benefit from some independent support with some experience of shared arrangement between councils. The working group can

then make a recommendation via the Executive for Full Council to consider at its meeting on 28 June 2011.

Among the key considerations of the working group should be:

- A full understanding of Eden's financial position and how this may affect Carlisle.
- What would be the benefits (financial and operational) to Carlisle of collaboration?
- What would be the risks?
- Options for a single Chief Executive and management team serving both councils.
- Public and partners opinion.
- Opportunities for service integration and collaboration – associated risks and benefits

2. CONSULTATION

2.1 Consultation to Date.
None

2.2 Consultation proposed.
The proposed working group will need to determine appropriate arrangements for consultation, the views of councillors will of course be integral to the process. Some gauge of public opinion may be useful, although a full public consultation would not be necessary.

3. RECOMMENDATIONS

It is recommended that the Executive considers this report and decides on how it should respond to a possible invitation.

4. REASONS FOR RECOMMENDATIONS

To enable the City Council to respond to the offer from Eden District Council to form a collaborative partnership.

5. IMPLICATIONS

The implications and potential equality impact of collaboration with Eden will form part of the considerations of the working group.