

BOROUGH OF KETTERING

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Report Originator	Head of Environmental Care Brendan Coleman	Fwd Plan Ref No: A16/043	
Wards Affected	All	26 th July 2017	
Title	FUTURE PROVISION OF STREET SCENE SERVICES		

Portfolio Holder – Councillor Ian Jelley

1. **PURPOSE OF REPORT**

- a) To inform members of the outcome of Corby Borough Council's review of options for the future delivery of their Street Scene Services functions.
- b) To seek approval in principle to develop a shared service for the delivery of Street Scene Services for Kettering Borough Council (KBC) and Corby Borough Council (CBC).

2. **BACKGROUND**

- 2.1 Corby Borough Council's Street Scene services are currently provided under contract by Kier.
- 2.2 The current contract between CBC and Kier comes to an end on 31st December 2018.
- 2.3 In light of this, CBC have for some time been considering the options that are available to them for the delivery of Street Scene service post-December 2018.
- 2.4 To that end, CBC commissioned APSE (Association for Public Service Excellence) to help them undertake an analysis of the options that were available so that a preferred option could be identified.
- 2.5 For clarity, Street scene services include the following;
 - Refuse and recycling collection
 - Street cleansing
 - Grounds maintenance
- 2.6 Following the completion of the work assisted by APSE, a report was taken to CBC's 'One Corby Policy Committee' (OCPC) on the 11th July 2017 on the

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“future of Street Scene Services”. In that report CBC considered the following options;

- An in-house service
- A Joint Venture with NORSE
- a Joint Venture or Shared Service with KBC

CBC had previously agreed not to tender the services via competitive market (OJEU process) at a meeting of OCPC on 2nd March 2017.

- 2.7 When looking at the options for a joint venture or shared service model, a delegation from CBC visited KBC and looked at our operations and set-up. This followed on from previous successful joint working arrangements with CBC on things like the Joint Planning Committee and Joint Delivery Committee.
- 2.8 APSE produced a “Final Options” report which concluded that the preferred option/proposal was for a shared service with Kettering Borough Council – this scored highest against the key strategic objectives for the future delivery of the service. On the 11th July, the One Corby Policy Committee unanimously agreed this recommendation.
- 2.9 Other recommendations that received endorsement were that further reports, with detailed implementation plans, business cases and a memorandum of understanding, be worked up for final approval and agreement.

3. SHARED SERVICE DELIVERY

- 3.1 It should be noted that the analysis by APSE of KBC’s services are that we achieve a very high level of performance and represent good value for money, with below average costs on delivery.
- 3.2 This can also be evidenced by the numerous national awards that KBC has attained including awards from APSE e.g. Best Performer “Refuse & Recycling”.
- 3.3 Of major significance to both local authorities, APSE also suggested in their report that a shared service between KBC and CBC has the potential to deliver a number of additional benefits and savings including such things as;
- additional resilience and flexibility for both authorities;
 - potential for service efficiencies (eg, shared fleet, shared work force, shared facilities etc);
 - Increased purchasing powers;

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- improved potential for income generation from both within street scene services and as a result of closer relationship in broader areas e.g. asset acquisition.

4. **TIMELINES AND WORK PROGRAMME**

4.1 If members were minded to agree in principle to setting up a shared service with Corby, then this would represent a major project for this Council, with some consequent re-distribution of responsibilities between services to accommodate the workload falling on Environmental Care.

4.2 Members should also note that these activities will need to be undertaken over a relatively short period. The new shared service will need to be available for operational delivery by the beginning of January 2019, a period of approximately 17 months, which represents a tight deadline given the work-streams that have to be delivered.

4.3 Within this period the issues that will need to be worked through include areas such as;

- Staffing matters e.g. TUPE transfer of staff from both CBC and Kier;
- Governance arrangements e.g. shared service model, MOU's etc, performance management and reporting arrangements;
- Infrastructure e.g. review of existing depots/ new depots;
- Service/ Standards e.g. policies, KPI's, enforcement, education etc;
- Fleet requirements e.g. specification, shared use, procurement, operating models, acquisition etc;
- Financial management and allocation of costs between the two areas;
- Branding of vehicles, staff and services.

4.4 Clearly also an implementation timetable and milestones would need to be established, agreed and overseen by both authorities working together.

4.5 Members are being asked in this report if they support the principle of establishing a shared service arrangement between KBC and CBC. If the answer to that question is 'yes', then a great deal of effort will be required to move this forward in the timescale available. Further reports will need to be brought back to members as the draft agreements are worked up and the

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operating model developed – this would need to include looking at the risks involved as well as identifying the opportunities and benefits. Clearly, close communications will need to continue with staff and the formulation of a communications plan for this will be important.

5. LEGAL IMPLICATIONS

- 5.1 Joint delivery arrangements can be established via a shared service arrangement which is an administrative arrangement with no contractual obligation created under powers provided by s101 of the Local Government Act 1972 or s19 of the Local Government Act 2000.
- 5.2 These powers allow councils to arrange for the discharge of functions by their own officers as well as officers of other authorities and for councils to accept the functions from another authority... Further discussions and advice will be taken to establish the most effective options for the implementing a joint arrangement.
- 5.3 It should be noted that under CBC's current contract with Kier, there is no ability to extend it beyond the current end date of 31st December 2018.
- 5.4 At this point in time Kier are not aware that Corby are not going to retender the service so this report is exempt for reasons of commercial confidentiality as they apply to Kier and Corby Borough Council.

6. POLICY, FINANCE AND RESOURCE IMPLICATIONS

- 6.1 The opportunity to enter into a joint arrangement fits well with wider partnership arrangements already developed across North Northamptonshire, from planning, through to legal, licensing, emergency planning.
- 6.2 This Council has had a great deal of experience of leading or supporting partnership work of this kind, and whilst the scale of this service is greater than any existing partnership, it nevertheless fits with the overall direction that has been taken in recent years.
- 6.3 There are very significant short term resource implications in gearing up to provide a shared service with another Council, as outlined in Section 4 above. This project, if agreed, will be a major element of the Council's priorities and workload over the next two years. However, it offers the opportunity to improve services, reduce costs and increase income, as well as service resilience.
- 6.4 It should be stressed that KBC would remain the employer of all staff and the owner of all or some shared assets, so there is an element of risk in taking on this work. The agreed arrangement with Corby would need to set out dispute resolution mechanisms as well as any future termination provisions.

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7. RECOMMENDATIONS

That:

- a) the Executive Committee agree in principle to pursue a shared service option with Corby Borough Council for the provision of street scene services;
- b) a draft Memorandum of Understanding be worked up between KBC and CBC and brought back to the Committee for further consideration.
- c) Update reports be brought back to members on a regular basis throughout the process, and as key decision points are reached.
- d) Staff within environmental care be consulted on the possibility of a shared service being developed.

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