

ANGUS COUNCIL

8 SEPTEMBER 2016

**PROPOSAL FOR FORMATION OF JOINT COMMITTEE FOR NORTHERN ROADS
COLLABORATION**

REPORT BY RICHARD STIFF, CHIEF EXECUTIVE

ABSTRACT

The purpose of this report is to outline the work of the Northern Roads Collaboration Forum and to seek approval to join a Joint Committee to progress closer collaboration on specific projects in pursuit of savings and best practice now and in the future.

1. RECOMMENDATIONS

It is recommended that the Committee:

- (i) Establish a Joint Committee in terms of Section 56 and 57 of the Local Government (Scotland) Act 1973 with Aberdeenshire Council, Aberdeen City Council, Angus Council, Argyll and Bute Council, The Highland Council, The Moray Council, The Orkney Islands Council and The Western Isles Council to be known as The Northern Roads Collaboration Joint Committee;
- (ii) Empower the Joint Committee by delegating to it the functions outlined in Appendix 1 of this report;
- (iii) Alter the Order of Reference of Committees as outlined in Appendix 1 of this report to give immediate effect to the establishment of the Joint Committee;
- (iv) Authorise the Head of Legal and Democratic Services to enter into an inter-authority legal agreement with the other member Councils to agree the governance and administrative arrangements for the Joint Committee, following consultation with the Director of Communities, and the Chair, Vice Chair and main opposition spokesperson of the Communities Committee;
- (v) Note that decisions on whether a council participates in roads collaboration projects will be reserved to the councils and not delegated to the proposed Joint Committee;
- (vi) Agree that Aberdeenshire Council take the role of Lead Authority for year 1 of the Joint Committee;
- (vii) Appoint two named members and two named substitute members to the Joint Committee;

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Our communities are developed in a sustainable manner

3. BACKGROUND

- 3.1 Aberdeenshire Council, Aberdeen City, Moray Council, Angus Council, Argyll and Bute Council, Highland Council, Orkney Council and Western Isles Council have all been in discussion about collaboration and sharing of services relating to Roads since late 2014.
- 3.2 On 18 August 2015 the Communities Committee considered Report 298/15 on the formation of a Northern Roads Collaboration Forum and agreed to
- (1) note the development of the North Area Governance First Group, and the methodical approach undertaken to develop the case for creating a new governance body to oversee the development of collaborative activity within the Road Service,
 - (2) participate in the formation of the Northern Roads Collaboration Forum and to prepare for consideration of the formation of a Joint Committee in the future,
 - (3) provide delegated authority to the Head of Technical and Property Services to make arrangements for the formation of the new Forum
- 3.3 Angus Council, along with other Roads Authorities, has for many years, sought and introduced a range of local and national collaborative and shared service/capacity initiatives, recognising the value of working with others to improve resilience and to reduce costs. Much of this work to date has been informal, but does illustrate a positive culture of co-operation, and good starting point for more formal arrangements.
- 3.4 Although collaboration exists, particularly among neighbouring councils, Local Authorities are in some cases struggling to overcome barriers to fully benefit from increased collaborative activity, due in the main to the perceived complexities of EU procurement law.
- 3.5 The National Roads Maintenance Review of 2012 made a number of recommendations to Roads Authorities. In particular there was an increased expectation of collaboration and there is likely to be an increased focus later this year from Audit Scotland on the implementation at council level of sharing and collaboration in the delivery of road related functions.
- 3.6 Scotland has an ageing population and, by extension, an ageing workforce. This is a recognised issue within the demographic of road services professionals. This, coupled with a reduced workforce 'pool' of specialised skills, and difficulties in succession planning, means that it is necessary to address workforce planning strategies now to provide a resilient workforce in the future. There is a need to look at opportunities to pool resources, up-skill staff, encourage new people to work in this service area, and increase local employment opportunities at all levels as part of future collaborative work. The ability of local authorities to work together is considered essential, not only to deliver long term efficiencies, but to provide resilience in this key frontline service for Scotland's communities.
- 3.7 Officers and Elected Members of the respective councils met as a Forum on 3 March 2016. The remit of the Forum is to provide leadership, direction for collaboration, transparency and compliance within a governance framework. Members of the Forum agreed to move to the establishment of a Joint Committee, being the most appropriate formal framework to enable collaborative activities. A Joint Committee structure would also be compliant with the relevant principles of EU procurement law. All of the respective authorities are taking this matter to their council meetings in the period to Autumn 2016. It is anticipated that the first meeting of the Joint Committee will be scheduled for late 2016.
- 3.8 If established, the Joint Committee would provide direction and leadership to allow suitable projects for collaborative working to be identified, and would make recommendations to the councils on the proposals. A decision would then be taken by each council on whether to take part in each project. In order to participate in a project, each Council would require to allocate resources towards that project (this may be in the form of provision of workforce/equipment/property, instead of, or as well as, a budget).
- 3.9 The Joint Committee would then be empowered to manage those resources and approve operational expenditure within agreed budgets. It is proposed that the Council's Communities

Committee be the appropriate forum for considering whether the Council should participate in projects following referral by the Joint Committee (having delegated authority in relation to roads functions).

- 3.10 Once a project is initiated, the Joint Committee would oversee the delivery of the project, and monitor efficiencies derived through the joint working arrangements. The Joint Committee would produce an annual performance report and financial statement, which would be made available to all member councils.
- 3.11 There would also be scope for the Joint Committee to establish Sub-Committees if only a limited number of councils wished to take part in a project or activity. This would then allow those participating councils to oversee the delivery through a project specific Sub-Committee comprised of members of only the participating councils.
- 3.12 The Joint Committee, if established, would be supported by an Officer Group, the remit of which would be to implement the projects/activities and report to the Joint Committee on progress. The Officer Group would also present new proposals to the Joint Committee on areas of potential collaborative working.
- 3.13 At its meeting on 3 March 2016, the Northern Roads Collaboration Forum considered initial suggestions for a range of suitable activities for collaborative working and officers are working to develop proposals on those areas further. A summary of the topics considered by the Forum is set out in **Appendix 3** for information.
- 3.14 The collaborative working that we are engaging in does not alter our commitment to undertake works through Tayside Contracts but rather it supports the activities that Tayside Contracts is not engaged in including professional staff services.

Establishment of a Joint Committee

- 3.15 A Joint Committee formed under Sections 56 and 57 of the Local Government (Scotland) Act 1973 has been identified as the most appropriate vehicle for joint working for local authorities in this context. The proposal to formalise the arrangements for roads collaboration through a Joint Committee is supported by the Scottish Government and The Improvement Service. It is proposed that the Joint Committee be known as “The Northern Roads Collaboration Joint Committee”, which would be the successor of the Northern Roads Collaboration Forum.
- 3.16 A briefing note on the general nature and provisions related to Joint Committees is attached as **Appendix 4** to this report.
- 3.17 The Joint Committee requires to be set up by the respective local authorities and a delegation of powers specifically narrated in order that the Joint Committee has sufficient authority to act.
- 3.18 The purpose, activities and recommended powers for the proposed Joint Committee are outlined in **Appendix 1**. For the proposed Joint Committee to be fully operational, it requires each participating Council to give it the same formal recognition within its constitutional documents and delegate the same powers to it. In order to achieve this, it is necessary to alter the Scheme of Delegation.
- 3.19 The membership of the Joint Committee is to comprise exclusively of Elected Members, with two being appointed by each Council. The Joint Committee could invite non-Elected Members to its meetings as consultees or advisors, however they would not form the membership of the Joint Committee.

Alterations to the Order of Reference of Committees

- 3.20 Current Standing Order 40 (10) states that subject to any statutory requirement, the council may at any time vary, add to, restrict or recall any reference or delegation to any committee.
- 3.21 There are a number of alterations required to the Order of Reference of Committees so as delegate appropriate powers to the Joint Committee. Accordingly, proposed alterations are noted on the version of the Order of Reference of Committees attached at **Appendix 1 in bold** for ease of use.

- 3.22 The Scheme of Delegation to Offices may similarly need updating in order for officers to implement decisions of the Joint Committee. The requisite changes will be brought to a future meeting of the Council.

Inter-authority Agreement for the Operational Arrangements of the Joint Committee

- 3.23 In order to finalise the detailed governance and administrative arrangements for the Joint Committee, a legal agreement will require to be put in place between the member Councils. The aim of this is to ensure that the governance framework, as well as other legal and financial arrangements, are clear, transparent and appropriate, and that the Council's interests are protected and legal and financial risks minimised. Officers within Aberdeenshire Council are leading in respect of the drafting of this document.
- 3.24 A summary of the key points which are likely to be included in the Inter-authority Agreement are set out in **Appendix 2** for information.
- 3.25 Much of the business support work to this stage has been progressed by Aberdeenshire officers in conjunction with the Improvement Service. It is recognised that the Joint Committee, if established, would require administrative and business support in order to properly function. It is proposed that this support be provided by Aberdeenshire Council for the initial 12 months followed by a review. The costs of providing this support would be split equally between the participating Councils, and this would form part of the inter-authority agreement.

4 Equalities, Staffing and Financial Implications

- 4.1 An equality impact assessment is not required because the recommended actions don't have a differential impact on people with protected characteristics.
- 4.2 The establishment of governance to lead the development of collaborative activity does not have any staffing implications. The staffing implications of each collaborative activity will be included in the business case work.
- 4.3 The fundamental financial consideration within this proposal is the requirement to provide assurances to each Council within the governing body, although investment may at times be directed for the benefit of collective service provision and for driving efficiencies, every investment benefit will be clearly focused and identifiable for each Council's own budget. The establishment of governance to lead the development of collaborative activity does not in itself have any financial implications. Each collaborative activity will be subject to a high level business case assessment prior to seeking approval from Elected Members.
- 4.4 Based on 4 meetings of the Joint Committee a year with associated production of papers, expenses associated with room provision and travel/ICT plus staff time it is estimated that the costs to support the Joint Committee should not exceed £8000 a year. This assumes that any staff/member time beyond attendance at and preparing for the Joint Committee is absorbed by each authority. If split equally then the direct cost per authority should not exceed £1000 a year.

5. CONSULTATION

The Chief Executive, Strategic Director of Resources, Head of Corporate Improvement & Finance, Head of Legal & Democratic Services, Scottish Fire & Rescue Services Area Manager and the local Divisional Police Commander for Tayside have been consulted in the preparation of this report.

6. CONCLUSION

This report details the work of the Northern Roads Collaboration Forum and seeks approval to join a Joint Committee to progress closer collaboration on specific projects in pursuit of savings and best practice now and in the future.

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Report No. 298/15: Roads Collaboration Project and Proposal to Form the Northern Roads Collaboration Forum

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List of Appendices:

Appendix 1 – Amendments to the Order of Reference of Committees

Appendix 2 – Summary of Likely Arrangements for inclusion in Inter–authority Agreement

Appendix 3 – Initial Activities being considered for Collaborative Working

Appendix 4 – Briefing Note on Joint Committees