

AGENDA

SPECIAL MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE MEETING

Date: Monday, 12 January 2015

Time: 7.00 pm

Venue: Council Chamber, Town Hall, Royal Tunbridge Wells, Kent, TN1 1RS

Membership:

Councillors Sylvia Bennett, Andy Booth (Chairman), Lloyd Bowen (Vice-Chairman), Jackie Constable, John Coulter, Mark Ellen, June Garrad, Mike Haywood, Mike Henderson, Peter Marchington, Prescott, Ben Stokes and Ghlin Whelan.

Quorum = 4

Pages

1. Apologies for Absence and Confirmation of Substitutes
2. Declarations of Interest

Councillors should not act or take decisions in order to gain financial or other material benefits for themselves or their spouse, civil partner or person with whom they are living with as a spouse or civil partner. They must declare and resolve any interests and relationships.

The Chairman will ask Members if they have any interests to declare in respect of items on this agenda, under the following headings:

- (a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011. The nature as well as the existence of any such interest must be declared. After declaring a DPI, the Member must leave the meeting and not take part in the discussion or vote. This applies even if there is provision for public speaking.
- (b) Disclosable Non Pecuniary (DNPI) under the Code of Conduct adopted by the Council in May 2012. The nature as well as the existence of any such interest must be declared. After declaring a DNPI interest, the Member may stay, speak and vote on the matter.

Advice to Members: If any Councillor has any doubt about the existence or nature of any DPI or DNPI which he/she may have in any item on this agenda, he/she should seek advice from the Director of Corporate Services as Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the

Meeting.

3. Minutes

To note the Minutes of the Special meeting of the three Committees which took place on 7 July 2014. The following provides a link to the minutes of that meeting as recorded at Maidstone Borough Council:
<http://services.maidstone.gov.uk/meetings/ieListDocuments.aspx?CId=553&Mid=2249&Ver=4>

4. Report of the Joint Mid-Kent Improvement Partnership (MKIP) Task and Finish Group 1 - 52

The chairman of the Task and Finish Group, Councillor Andy Booth of Swale Borough Council, will present the attached report and recommendations of the Joint Overview and Scrutiny Task and Finish Group which was set up to review the governance and communication arrangements for the Mid-Kent Improvement Partnership.

5. Role of the Mid-Kent Services Director 53 - 56

Paul Taylor, Mid-Kent Services Director, will attend the meeting, to provide an update on his objectives. Zena Cooke, Director of Regeneration and Communities, will also attend, to provide an update on the work of the cross-authority project team, established to undertake an independent review of the Mid-Kent Services Director role.

A copy of the project team's assessment criteria is attached.

Issued on Tuesday 23 December 2014

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact DEMOCRATIC SERVICES on 01795 417330**. To find out more about the work of the Scrutiny Committee, please visit www.swale.gov.uk

Corporate Services Director, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT

Mid Kent Improvement Partnership

Joint Scrutiny Task and Finish Group report on governance and communication

Report date:	22 December 2014
Task and Finish Group Chairman:	Councillor Andy Booth (Swale BC)
Task and Finish Group Members:	Councillors Fay Gooch and Paulina Stockell (Maidstone BC) Councillor Mike Henderson (Swale BC) Councillors Bill Hills and Chris Woodward (Tunbridge Wells BC)
O&S support officers:	Poppy Brewer, Democratic Services Officer (Maidstone BC) Bob Pullen, Policy and Performance Officer (Swale BC) Holly Goring, Policy and Performance Manager (Tunbridge Wells BC)
Service liaison officers:	Paul Taylor, Director (Mid Kent Services) Jane Clarke, Programme Manager (Mid Kent Improvement Partnership)

1 Report summary

- 1.1 This report outlines the findings of the Joint Task and Finish Group (JTFG) which was established to review the governance and communication arrangements of the Mid Kent Improvement Partnership.

2 List of recommendations

2.1 The Task and Finish Group recommends:

That the Overview and Scrutiny Committees for Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council each request that their individual Cabinets should jointly consider and respond to the following recommendations that have arisen from the joint scrutiny of governance and communications:

Governance

- a) that opportunities for pre-scrutiny should be provided within existing governance arrangements at each authority prior to any new shared service proposals being considered at a tri-Cabinet meeting (i.e. after MKIP Board approval, if not before);**
- b) that joint Overview & Scrutiny task and finish groups should be convened by the Overview and Scrutiny Committee(s) of the individual authorities, as necessary, to jointly review any major issues that arise in regard to shared service delivery and also any new options, such as the possibility of contracting to deliver a shared service for an authority outside the partnership;**
- c) that the MKIP Board will notify the Overview and Scrutiny functions of each authority when there are potential items of interest that a joint task and finish group could review on their behalf;**
- d) that the creation of the Mid Kent Services Director post should be favourably considered in light of the value already placed on this role by members of the Shared Services Boards and others, as it provides a single point of contact for the MKIP Board and Mid Kent Service Managers;**
- e) that the role of the MKIP Programme Manager should be re-examined and aligned with the reporting arrangements arising from the appointment of a Mid Kent Services Director (if the post is confirmed);**
- f) that early consideration should be given to transferring the management of the Planning Support and Environmental Health shared services under the Mid Kent Services umbrella as soon as possible;**
- g) that a toolkit is created to assist managers in their role as internal clients of shared services;**
- h) that (where appropriate) shared services create a service catalogue for their service that will help internal clients to better understand the extent of the service they provide;**

Communication

- i) that a joint communications plan is developed to improve staff and member awareness and understanding of MKIP (shared service development) and MKS (shared service delivery);**

- j) that the MKIP Board has responsibility for the effective implementation of an agreed communications plan and ensures its delivery is resourced appropriately;**
- k) that communication should be improved between the newly created Shared Service Boards and the MKIP Board to ensure the latter is fully aware of any major service issues and any suggested options for change;**
- l) that client representatives on the Shared Service Boards should ensure the outcomes of their meetings, including any related direction coming from the MKIP Board, are effectively cascaded to relevant staff within each authority;**
- m) that future MKIP Board meetings should be held and papers published in accordance with the appropriate local authority access to information regulations.**

3 The review

3.1 The Joint Task and Finish Group (JTFG) was established to:

- consider how the Mid Kent Improvement Partnership's (MKIP) governance arrangements should be taken forward and how an MKIP communications plan should be developed.

3.2 The review was instigated by a joint meeting of the Maidstone, Swale and Tunbridge Wells Scrutiny Committees on 7 July 2014.

3.3 One of the JTFG's first tasks was to scope how to conduct the review. The final version of the Scoping Report is at Appendix i.

3.4 The review was conducted principally through a number of question and answer sessions with a range of Cabinet members and senior officers from the three authorities and/or external partners. The JTFG also reviewed a number of reports, agendas and minutes of meetings and other papers. A schedule of who gave evidence to the Group and the literature reviewed is at Appendix ii.

3.5 The planning support review is outside the remit of the JTFG, however a preview summary report was included as part of our evidence base.

3.6 The JTFG would like to thank all those who agreed to meet with us to answer questions and for providing information. The JTFG would also like to thank the O&S support officers and service liaison officers who are listed above as well as Roger Adley (Maidstone BC) and Adam Chalmers (Tunbridge Wells BC) for their advice on communications and Clare Wood (Maidstone BC) for her assistance in designing the survey and for analysing the results. A lot has been achieved in a very short space of time.

4 Background

4.1 The Mid Kent Improvement Partnership was formed in 2008 between Ashford, Maidstone, Swale and Tunbridge Wells Borough Councils. Ashford subsequently withdrew from the partnership (although they are still part of the Audit shared service) and it now comprises Maidstone, Swale and Tunbridge Wells Borough Councils. The first MKIP shared service was Mid Kent Audit which went live as a four-way shared service in 2009. There are now seven shared services within the MKIP family. They are as follows, with the host authorities highlighted in bold:

- Audit (Ashford, **Maidstone**, Swale and Tunbridge Wells);
- Environmental Health (**Maidstone, Swale and Tunbridge Wells – no host**);
- Human Resources (**Maidstone** and Swale);
- ICT (**Maidstone**, Swale and Tunbridge Wells);
- Legal (Maidstone, **Swale** and Tunbridge Wells);
- Planning Support (**Maidstone**, Swale and Tunbridge Wells); and
- Revenue and Benefits (**Maidstone and Tunbridge Wells – no host**).

4.2 The main objectives that MKIP seeks to deliver are:

- to improve the quality of service to customers;
- to improve the resilience of service delivery;
- to deliver efficiency savings in the procurement, management and delivery of services;
- to explore opportunities for trading in the medium to long-term;
- to share best practice; and
- to stabilise or reduce the environmental impact of service provision.

4.3 Nationally, a great many councils are involved in sharing services. In 2012, 219 councils were involved in shared services. By 2013, that number had risen to 337 councils. The Government is strongly encouraging local councils to share services and staff. The MKIP constituent authorities are clearly early adopters of the shared service agenda.

5 Findings

Governance

Key findings

5.1 The MKIP governance arrangements have evolved gradually since the partnership was first established in 2008. The MKIP governance arrangements are at Appendix iii and were last updated in May 2012.

5.2 The JTFG heard that all major decisions regarding MKIP, including the creation of new shared services, or significant changes to existing ones, were taken by each constituent authority according to their respective constitutions. In practice, decisions had been taken at co-located but separate meetings of the three constituent Cabinets, with agendas, reports and minutes of meetings published separately on their own website.

MKIP Board

5.3 The MKIP Board consists of the Leader and Chief Executive of each of the three MKIP councils and meets quarterly. Its role is:

- To approve and own the MKIP Programme and provide direction to the MKIP Programme Manager;
- To initiate shared service projects and appoint project and shared service boards;
- To set MKIP objectives and direction;
- To join together strategic plans and form a MKIP strategic plan;
- To take decisions on specific project/service issues outside of the remit of the project and shared service boards;
- To receive Audit reports with limited assurance on follow-up;
- To monitor MKIP performance and finance and agree actions to resolve performance and finance issues; and
- To review these arrangements from time to time and make recommendations to the Parties for improvement.

5.4 The JTFG was provided with a sample agenda, reports and minutes of a Board meeting and it was clear to see from these that the role of the Board is to maintain a strategic oversight on the constituent elements of the shared service partnership and of MKIP as a whole.

Shared Service Boards

5.5 Below the MKIP Board, seven Shared Service Boards have been established. The Shared Service Boards are comprised of client-side representatives from each of the partnership authorities, generally at Director level, the MKS Director, the MKIP Programme Manager and the Shared Service Manager.

5.6 The Terms of Reference of the Shared Service Boards are:

- Shared Service Boards will provide the following governance actions:
 - agree the Service Plan for each Financial Year;

- advise on the management of and agree variations to the budgets for the shared service including approving items of savings and growth to go forward to each partner authority to form part of their annual budgeting process and consideration in setting their budgets for the service;
- advise the relevant Head of Paid Service (or nominee) on the appraisals of the Joint Head of Service;
- receive reports on and consider the finance and performance of the shared service;
- provide strategic direction as required;
- provide reports to the MKIP Board when requested, when the Shared Service Board wish to raise a general MKIP issue or when the service underperforms (i.e. fails to meet the majority of targets over 3 quarters) or the Shared Service Board wish to make significant changes to the agreed service plan.

5.7 The JTFG heard that matters such as service planning and performance management were being addressed and the creation of reporting forms enabled key information to be reported to the Shared Service Boards on these matters. Further clarity may need to be added to the terms of reference to strengthen the Shared Service Board's responsibility in reviewing performance and finance, as their role evolves.

Mid Kent Services (MKS)

5.8 A new directorate called Mid Kent Services (MKS) has been established within the MKIP partnership which is governed slightly differently. Five services fall within the MKS Directorate and two (Environmental Health and Planning Support) fall outside of MKS. The key differences are explained in paras 5.18 to 5.27 below and the diagrams at Appendix iv set out the respective reporting lines, with the main one being that the MKS Director is the 'line manager' for all MKS Services.

Effectiveness

5.9 The JTFG heard from virtually all members of the MKIP Board as well as the Monitoring Officers and Section 151 (i.e. Chief Finance) Officers of the three authorities at various points during the review.

5.10 The evidence the JTFG heard from all quarters was that the governance arrangements were working well.

5.11 The governance arrangements had evolved over the years and were deliberately designed to be flexible, enabling the nature of the partnership and the services within it to expand and develop in an organic way.

5.12 The JTFG were also advised that the collaboration agreements for each of the shared services were currently being reviewed, which would further strengthen the governance under which these services worked. Each collaboration agreement would need to reflect the size of the service and its complexity and cover areas such as financing, staffing, roles and responsibilities and exit arrangements.

Accountability

- 5.13 Two elements of governance which did concern the JTFG were accountability and transparency. The latter is dealt with in the Communications section below at paras 5.45 to 5.49.
- 5.14 As mentioned in para 5.2, major decisions regarding MKIP would be taken by the respective Cabinets of each partner authority. However, it is only when Cabinet papers are published that overview and scrutiny members have any opportunity to scrutinise planned actions, unless Cabinets have proactively sought the views of overview and scrutiny in advance.
- 5.15 This is in stark contrast to some shared service partnerships elsewhere in the country which are governed by, for example joint committees. Proposals for significant change are likely to have been considered in advance and agendas, reports and minutes of these committees published. The MKIP Board, where any proposals for significant change in respect of MKIP will be considered initially, is not a joint committee in the formal sense. Therefore, there does not appear to be any ready mechanism under which overview and scrutiny committees, whether individually from within each authority, or jointly, can be alerted to significant proposals for change and to be able to consider any proposals. The JTFG questions whether this is good governance.
- 5.16 There have been instances where decisions on shared services taken by tri-Cabinet meetings (co-located meetings of the three individual Cabinets) have resulted in formal call-in procedures being instigated on at least three occasions.
- 5.17 The JTFG considers that overview and scrutiny, both individually at a partner authority level and jointly, is an important element of good governance and therefore recommends:

Recommendation:

- a): that opportunities for pre-scrutiny should be provided within existing governance arrangements at each authority prior to any new shared service proposals being considered at a tri-Cabinet meeting (i.e. after MKIP Board approval, if not before);**
- b): that joint Overview & Scrutiny task and finish groups should be convened by the Overview and Scrutiny Committee(s) of the individual authorities, as necessary, to jointly review any major issues that arise in regard to shared services delivery and also any new options, such as the possibility of contracting to deliver a shared service for an authority outside the partnership;**
- c): that the MKIP Board will notify the Overview and Scrutiny functions of each authority when there are potential items of interest that a joint task and finish group could review on their behalf;**

Mid Kent Services

5.18 Mid Kent Services (MKS) is a shared service directorate that brings together the majority of shared services under an organisational structure that includes a Mid Kent Services Director, who was appointed on a one year trial in 2014. The shared services that currently fall under MKS are:

- Audit;
- Human Resources;
- ICT;
- Legal; and
- Revenue and Benefits.

5.19 MKS's current tasks are:

- to lay the ground to make HR/Payroll a three-way partnership rather than the current two-way arrangements between Maidstone and Swale;
- develop an MKIP communications plan;
- ensure services have up to date collaboration agreements, service level agreements and risk registers;
- create a vision and culture for MKS staff; and
- to resolve a long list of 'snagging issues' that are impeding productivity for shared service staff.

5.20 The work of the JTFG reinforced the importance of a cohesive vision for Mid Kent Services and the positive work that the MKS Director was doing to address this.

5.21 The JTFG observed that other shared service partnerships elsewhere in the country of similar size to MKIP had appointed an officer at Director level to oversee their services. An example included the Anglia Revenue Partnership, the Director of which had met with the Group, and comprised of seven local authorities sharing a common Revenue and Benefits service.

5.22 The Heads of MKS Shared Services told the Group how much they valued the role of the MKS Director since it had been established. For example, it provided shared service managers with a conduit to convey information between themselves and the MKIP Board and to gain, in return a more complete perspective of the views of the MKIP Board via the MKS Director; helping to overcome some long-standing snagging issues that had served to frustrate the objectives of establishing the partnership in the first place.

5.23 The JTFG is therefore recommending that the creation of the MKS Director post is looked upon favourably and, whilst this is being considered, that the MKIP Programme Manager post, which was established in advance of the Director post, is reviewed, even more importantly in the event that the MKS Director role is confirmed.

5.24 The JTFG recommends:

Recommendation:

d): that the creation of the Mid Kent Services Director post should be favourably considered in light of the value already placed on this role by members of the Shared Services Boards and others, as it provides a single point of contact for the MKIP Board and Mid Kent Service Managers;

e): that the role of the MKIP Programme Manager should be re-examined and aligned with the reporting arrangements arising from the appointment of a Mid Kent Services Director (if the post is confirmed);

5.25 The MKS was formed largely around the needs of the five 'back office' or 'transactional' shared services – i.e. Audit, HR, ICT, Legal, Revenues and Benefits. At the time of the establishment of MKS, the Environmental Health and Planning Support shared services had only just been created and a decision was taken not to include them in MKS at that stage.

5.26 From the evidence the JTFG had seen, it would be advantageous from a consistency and good governance perspective to bring the Environmental Health and Planning Support shared services under the MKS umbrella as soon as possible. It would also assist with communication when explaining the organisational structure of the Mid Kent Improvement Partnership.

5.27 The JTFG recommends:

Recommendation:

f): that early consideration should be given to transferring the management of the Planning Support and Environmental Health shared services under the Mid Kent Services umbrella as soon as possible;

Facilitating access to shared services

5.28 The JTFG heard on two separate occasions from Heads of Service who were clients of MKIP services during the review.

5.29 On both occasions, the client Heads of Service were complimentary about the improvements they had witnessed as a result of the creation of shared services including the ability to provide a broader range of specialisms and greater expertise, increased capacity and better resilience of services.

5.30 However, client Heads of Service also referred to their need to gain a greater understanding of their role as shared service clients, such as what it is they need to know and what to ask for from service providers in order to deliver their own services effectively. Some spoke of a lack of clear signposting and the fact that some shared services had the appearance of delivering a 'one size fits all' approach. It was felt that this could affect the prioritisation of projects that were important corporate objectives to each of the individual authorities.

5.31 The JTFG considered and discussed this feedback and thought that some sort of toolkit or catalogue could be produced for each of the shared services (especially so for the back-office ones) which could address this.

5.32 The JTFG recommends:

Recommendation:

g): that a toolkit is created to assist managers in their role as internal clients of shared services;

h): that (where appropriate) shared services create a service catalogue for their service that will help internal clients to better understand the extent of the service they provide;

Communication

Key findings

5.33 It was evident that the MKIP Board was already aware that more needs to be done to improve knowledge and awareness of MKIP/MKS issues amongst councillors, staff and residents. The development of a Communications Plan was a key objective for the Mid Kent Services Director. In addition, the survey [summary provided at Appendix v] the JTFG commissioned of councillors confirmed that awareness of the MKIP/MKS arrangements was low.

5.34 It was noted that the key stakeholders regarding communications were staff and councillors. The general public were not thought to be particularly interested in how shared services were delivered – particularly ‘back office’ services – only whether they received a good service which was delivered cost effectively.

5.35 With three separate councils involved in MKIP, with their different cultures and ways of doing things, it was important for both staff and members that messages about MKIP were consistent, recognising that each council had its own systems for communicating corporate messages to staff and councillors. It was noted that MKIP/MKS did not have a specific presence on each council’s website or intranet.

Communications plan

5.37 One of the JTFG’s terms of reference was to review how a MKIP communications plan should be developed.

5.38 The JTFG heard from communications experts at the councils, that the essence of a good plan was to decide: who the message was intended for and how the message would be conveyed; what the overall aim and objectives were; and how the effectiveness of the plan could be reviewed and evaluated, with the overarching aim of keeping things simple.

5.39 Communications officers at Maidstone and Tunbridge Wells Borough Councils, in consultation with officers at Swale BC, have produced a draft outline communications plan at [Appendix vi] which the JTFG commends to the MKIP Board to develop further and implement.

5.40 The JTFG recommends:

Recommendation

i): that a joint communications plan is developed to improve staff and member awareness and understanding of MKIP (shared service development) and MKS (shared service delivery);

j): that the MKIP Board has responsibility for the effective implementation of an agreed communications plan and ensures its delivery is resourced appropriately ;

Disseminating information

5.41 The JTFG heard that the implementation of the new Shared Service Boards had gone smoothly and that the respective roles of the new Boards and the MKIP Board were clearly defined. The Shared Service Boards had assisted in reviewing the detail of shared services (in terms of performance, finance or operation) and enabled matters of concern to be referred up to the MKIP Board for further discussion. A reporting form had been created since the establishment of the Shared Service Boards which had enabled each Shared Service Manager to advise the Mid Kent Services Director and client representatives of the above. These reporting forms had been found to be particularly useful and provided a detailed audit trail of the development and operation of their shared service. This feedback was welcomed by the JTFG and it was considered useful to continue this work to further strengthen the role of the Shared Service Board.

5.42 The JTFG looked at the role of the client representatives on the Shared Service Boards. This role has to fully understand the balance of business in terms of the authority requirements of individual services where issues were arising and be able to report back on operational matters affecting the shared services. At present the 'client representative' tended to be a Director from each of the individual authorities. Despite these individuals having great oversight of matters affecting their individual authorities both operationally and financially, the JTFG felt it would be more beneficial to have officer(s) attend the Shared Service Board meetings who had specific expertise and knowledge of each of the MKS Services. For example if an issue were to occur in respect of ICT, would the client representatives be best placed to communicate these issues, a specialist from the individual authority or a direct user of the service?

5.43 The JTFG recognised that to invite further 'client representatives' to the Shared Service Board meetings could place added pressure on limited staff resources so were prepared to accept that the current 'client representatives' were best placed to sit on the Shared Service Boards provided that communication with specialists or internal clients of those services was strengthened, and to ensure the requirements of each authority were adequately reflected in the Shared Service Board meetings.

5.44 The JTFG recommends:

Recommendation

k): that communication should be improved between the newly created Shared Service Boards and the MKIP Board to ensure the latter is fully aware of any major service issues and any suggested options for change;

l): that client representatives on the Shared Service Boards should ensure the outcomes of their meetings, including any related direction coming from the MKIP Board, are effectively cascaded to relevant staff within each authority;

Transparency

5.45 One of the JTFG's key findings was that members and staff felt they were kept in the dark about the operation of the MKIP Board. Whilst the JTFG recognised that the MKIP Board had not been deliberately clandestine in its work, and it was recognised that services operating and undertaking normal business within the individual authorities were not always subject to this level of attention, the fact that MKIP Board agendas, reports and minutes of meetings were not published is in sharp contrast to some other shared services partnerships, including the Anglia Revenue Partnership and the South Thames Gateway Building Control Partnership.

5.46 Both of these partnerships have governance arrangements which are overseen by Joint Committees comprised of the constituent authorities. As Joint Committees established under the Local Government Act 1972, these Committees are required to abide by the normal Access to Information rules which apply to all local authority committees with requirements to publish agendas, reports and minutes of meetings unless these contain confidential or exempt information.

5.47 It should be noted that paragraph 8.2 of the MKIP governance arrangements (see Appendix iii) states that:

“notice of the management board meetings and access to agendas and reports will be applied as if the meeting was covered by the Local Authorities (Executive Arrangements) (Access to Information) (England) Amendment Regulations 2000 and 2002 or Section 100 A-K and Schedule 12A to the Local Government Act 1972, as appropriate.”

But it is not clear why papers are not published.

5.48 The JTFG is not advocating that the MKIP Board is necessarily reconstituted as a Joint Committee, but steps should be taken to increase the transparency of its operations.

5.49 The JTFG recommends:

Recommendation

m) that future MKIP Board meetings should be held and papers published in accordance with the appropriate local authority access to information regulations.

Appendices

- Appendix i Scoping report
- Appendix ii Witness sessions and papers reviewed
- Appendix iii MKIP governance arrangements
- Appendix iv Diagram of governance arrangements for MKIP and MKS
- Appendix v Councillors knowledge of MKIP – summary of survey results
- Appendix vi Draft communications plan
- Appendix vii Glossary

**Mid Kent Improvement Partnership Joint Task and Finish Group – 10 September
2014**

Scoping Report

1. Aim of the Review

To consider how Mid Kent Improvement Partnership's (MKIP) governance arrangements should be taken forward and how a MKIP communications plan should be developed.

2. Why has this review been selected?

Over the last 12 months scrutiny members have taken a keen interest in shared services and the development of MKIP. Committee members, across the three authorities, have raised a number of important issues relating to:

- Governance arrangements;
- Seeking clarity on the role of O&S to be able to scrutinise the decisions of the MKIP Management Board, if it so wished;
- The objectives of the Mid Kent Services Director and how these would be measured; and
- Communication.

With that in mind, a joint meeting was arranged on 7 July 2014 to enable further consideration of these issues. It was at this meeting that the Tunbridge Wells Borough Council's Overview and Scrutiny Committee, Maidstone Borough Council's Strategic Leadership and Corporate Services Overview and Scrutiny Committee formally agreed (with Swale Borough Council's Scrutiny Committee at their meeting on 23 July 2014) to establish a joint Task and Finish Group to consider how MKIP's governance arrangements should be taken forward and how a MKIP communications plan should be developed.

It was further agreed that the Task and Finish Group report back to a joint meeting of these three Committees in December 2014.

3. Who will carry out the review?

The review will be carried out by a Task and Finish Group including:

- Maidstone - Councillors Fay Gooch and Paulina Stockell
- Swale – Councillors Andy Booth and Mike Henderson with substitutes Councillors Lloyd Bowen and/or Peter Marchington
- Tunbridge Wells – Councillors Bill Hills and Chris Woodward

4. Officer Support

The main officer support will be the Scrutiny Lead Officer from the same authority as the Chair of the Task and Finish Group. However, the Scrutiny officers from the other two authorities will provide assistance when and where required.

5. How the review will be carried out

It is suggested that the Task and Finish Group takes a number of steps to work through the evidence and reach some conclusions. It is recommended that the Group should undertake the following activities:

1. Session 1 - 10 September 2014

- A. To receive evidence from the Mid Kent Services Director and the MKIP Programme Manager on the current and future proposals for the governance arrangements for the partnership and development of a communications plan. This will include an opportunity to learn about lessons learnt from good practice elsewhere.

The aim of this session is to get all members of the group to the same level of background knowledge so that the group can plan its programme of work.

- B. To consider this scoping report and amend it accordingly following the evidence at 1A above.

2. Session 2 - Mid/Late September 2014

- A. To receive evidence from a mix of Heads of Service from across the three authorities that covers a range of services with different expectations and delivery options i.e. from internal and external facing departments.

The aim of this session is to get an understanding from the Heads of Service as clients using MKIP services, and as providers of shared services themselves, on how MKIP affects their work, whether it is clear who does what and where and whether changes to services are clearly communicated, internally and externally.

- B. Governance Part

To receive evidence from at least one of the Council's Monitoring Officers and one of the Council's Section 151 Officers.

The aim of this session is to get an understanding from the Monitoring Officer(s) on what they consider good governance for the partnership, what constitutes openness, transparency and accountability, what legal powers fall to which body and how to ensure appropriate oversight.

- C. Communications Part

To receive evidence from the Head of Communications from each of the three authorities.

The aim of this session is to get an understanding of what constitutes a good communications plan, the differences between internal and external communications, how to engage stakeholders and the public and how to deal with feedback.

3. Start a Members Survey – October 2014

To survey the non Executive members of the three authorities on how much they know about MKIP, what decisions it takes and what would be the best method of influencing decision-making and whether they know who to contact if a member of the public has a query about an MKIP service.

4. Session 3 - October 2014

A. To invite representatives of the MKIP board to give evidence with a request that minimum representation be provided of one Leader and one Chief Executive.

The aim of this session is to get an understanding from the MKIP board on what their role is, how they make decisions, where the limits of their decision making are and how their decisions are communicated.

B. To receive evidence from a local authority good practice example(s).

This will enable the group to hear first hand from a local authority on how they dealt with the governance and communication issues and what has worked, what the pitfalls are and how to overcome them.

5. Session 4 - Early November 2014

A. Feedback from Members Survey

To consider the implications from the Members Survey for the governance and communications aspects of the partnership.

B. To receive evidence from a national perspective with input from, for example, the Department for Communities and Local Government, Local Government Association or Local Government Information Unit.

The aim of this session is to get an understanding from national bodies on what is considered best practice for the governance and communications of a shared service and to understand any future national plans.

6. Session 5 - Mid/Late November 2014

To receive the draft report that details the evidence received and proposes some recommendations.

To consider the contents of the draft report, agree the Group's final report and recommendations for submission to the joint meeting of the Scrutiny Committees.

7. Joint Committee Meeting - December 2014

Report back to joint Committee meeting of the three authorities with final report/recommendations.

6. Cost/Community Implications

The financial implications will be staff time in:

- supporting the review,
- presenting evidence to the Task and Finish Group,
- undertaking a members survey exercise.

Non Executive members and the community need effective governance arrangements to provide appropriate assurance about the performance and delivery of shared services. The need for openness, transparency and accountability is important for these services and the work of Overview and Scrutiny can help to further these areas.

Similarly, key messages properly communicated are essential to ensure members of the public are well informed by changes to services on which they rely.

7. What are the expected outputs?

It is expected that the Task and Finish Group will produce a report, summarising the evidence they have gathered and containing specific recommendations for a Joint Committee meeting of the three authorities to consider. The Scrutiny Committees would then submit recommendations to their respective decision makers.

8. Timescale

It is anticipated that the group will conclude the outcomes of the review in time for a joint meeting of the three authorities in December 2014.

Witness sessions and papers reviewed

Witness sessions

10 September 2014: Overview of Mid Kent Improvement Partnership and Mid Kent Services

- Paul Taylor, Mid Kent Services Director
- Jane Clarke, Mid Kent Improvement Partnership (MKIP) Programme Manager

3 October 2014: Monitoring and Section 151 Officers

- John Scarborough, Head of Legal Partnership and Monitoring Officer for Maidstone and Tunbridge Wells Borough Councils
- Nick Vickers, Head of Finance and Section 151 Officer for Swale Borough Council

3 October 2014: Heads of Mid Kent Services

- Rich Clarke, Head of Audit Partnership, Mid Kent Audit Services
- Andy Cole, Head of Mid Kent ICT Services
- John Scarborough, Head of Legal Partnership, Mid Kent Legal Services

3 October 2014: Head of Service (clients)

- Dawn Hudd, Head of Commercial and Economic Development, Maidstone Borough Council

20 October 2014: Mid Kent Improvement Partnership Board members

- Councillor Annabelle Blackmore, Leader of Maidstone Borough Council
- Councillor David Jukes, Leader of Tunbridge Wells Borough Council
- William Benson, Chief Executive, Tunbridge Wells Borough Council

20 October 2014: Heads of Communication

- Roger Adley, Communications Manager, Maidstone Borough Council
- Adam Chalmers, Democratic and Community Engagement Manager, Tunbridge Wells Borough Council

4 November 2014: External focus

- Ed Hammond, Head of Programmes, Local Accountability, Centre for Public Scrutiny
- Paul Corney, Head of Anglia Revenue Partnership
- Dr Wim van Vuuren, Canterbury Christ Church University

20 November 2014: Revenues and benefits

- Steve McGinnes, Head of Mid Kent Revenues and Benefits Partnership

20 November 2014: Mid Kent Improvement Partnership Board Members and Monitoring Officers

- Councillor Andrew Bowles, Leader of Swale Borough Council
- Mark Radford, Director of Corporate Services, Swale Borough Council
- John Scarborough, Head of Legal Partnership and Monitoring Officer Maidstone and Tunbridge Wells Borough Councils

20 November 2014: Heads of Service (clients)

- Amber Christou, Head of Housing Services, Swale Borough Council
- Val Green, Head of Organisational Development, Tunbridge Wells Borough Council
- Dave Thomas, Head of Commissioning and Customer Contact, Swale Borough Council

8 December 2014: Programme and project governance

- Rich Clarke, Head of Audit Partnership, Mid Kent Audit Services

Papers reviewed

- Governance Arrangements – MKIP Shared Services: updated May 2012
- MKIP ICT Collaboration Agreement
- Tri-Borough Review – Critical Friends Board Report to the London Borough of Hammersmith and Fulham
- South Thames Building Control Partnership – Screen grab from website and sample agenda and minutes of Joint Committee meeting

- Investigation reports on Political Proportionality and Members Allowances and Options for Strengthening Future Governance Arrangements at the London Borough of Barnet
- MKIP Board - Sample agendas, reports and minutes
- MKIP Shared Service Boards - Sample agendas, reports and minutes

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**GOVERNANCE ARRANGEMENTS – MID KENT IMPROVEMENT PARTNERSHIP
(MKIP) AND MKIP SHARED SERVICES**

UPDATED MAY 2012

MID KENT IMPROVEMENT PARTNERSHIP (MKIP) - GOVERNANCE

These arrangements relate to Maidstone Borough Council, Swale Borough Council, Tunbridge Wells Borough Council and are made pursuant to the Local Government Act 1972, Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

1. Key Principles

- 1.1 Each of the Parties has determined by resolution to establish a collaborative partnership to become effective from September 2008 for the purposes of developing joint and shared services across their administrative areas.
- 1.2 The partnership was established as the Mid Kent Improvement Partnership (MKIP) and operated for an initial period of four years. It has now been agreed to extend the partnership for a further four years. A minimum of six months notice is required for any Party to leave the MKIP (see clause 16).
- 1.3 The Parties are committed to establishing an MKIP Board and which will consider the co-ordination of selected services and partnership activities across the combined administrative area through mutual co-operation.
- 1.4 The Parties are committed to open and transparent working and proper scrutiny through the arrangements in each authority and this will challenge and support the work of the MKIP.
- 1.5 Any new parties to these arrangements after they become effective will have all the same rights and responsibilities under these arrangements.

2. Definitions

- 2.1 'Administrative Area' means the local government areas of the Parties.
- 2.2 'Decisions' means those decisions taken by each authority under their individual governance arrangements.
- 2.3 'Host Authority' means the local authority appointed by the Parties under these arrangements to service MKIP or to lead on a specific matter as set out in Clause 12.

- 2.4 'Joint Service' is one where each of the Parties will retain their own dedicated team but the teams will work alongside each other, unless other arrangements are agreed.
- 2.5 'MKIP Board' means the Leaders and Chief Executives of each of the Parties.
- 2.6 'Parties' means Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council.
- 2.7 'Proposal' means a business case to be developed for initial consideration by each of the Parties.
- 2.8 'Recommendation' means a Proposal agreed by the MKIP Board and put forward for decision by each of the Parties individually or collectively.
- 2.9 'Shared Service' means a service delivering functions as agreed by two or more of the Parties where all or part of the service is managed by a single Party.

3. Objectives

- 3.1 The objectives of the Mid Kent Improvement Partnership are to work together in partnership-
- (a) To improve the quality of service to communities;
 - (b) To improve the resilience of service delivery;
 - (c) To deliver efficiency savings in the procurement, management and delivery of services;
 - (d) To explore opportunities for trading in the medium to long-term;
 - (e) To share best practice; and
 - (f) To stabilise or reduce the environmental impact of service provision.

4. Functions

- 4.1 An MKIP Work Programme covering 4 years shall be established and owned by the MKIP Board who may appoint a Programme Manager who shall have the role set out in Annex E to manage and deliver the programme. The programme will be developed and delivered using the Gateway Decision Making Process set out in Annex A.

5. Terms of Reference

- 5.1 The terms of reference for the MKIP Board are set out in Annex B.
- 5.2 The terms of reference for the Project Boards are set out in Annex C.
- 5.3 These terms of reference will be reviewed annually by the Parties.

6. Membership and Meeting Procedures

- 6.1 The MKIP Board shall comprise the leaders and chief executives of each of the Parties. Named substitutes will be identified for the Leader (Cabinet Member) and for the Chief Executive (Director) to attend when necessary.
- 6.2 Kent County Council may send a non-voting representative (or substitute) to the MKIP Board meetings

7. Frequency of Meetings

- 7.1 The MKIP Board will meet quarterly at a time and place agreed by its members, who may change the frequency of meetings and call additional meetings as required.

8. Agenda Setting and Access to Meetings and Information

- 8.1 The agenda of the MKIP Board shall be agreed by the Chairman following a briefing by officers of the Parties. Any member of the Management Board may require that an item be placed on the agenda of the next available meeting for consideration, and may call for a meeting to be held.
- 8.2 Notice of the Management Board meetings and access to agendas and reports will be applied as if the meeting was covered by the Local Authorities (Executive Arrangements) (Access to Information) (England) Amendment Regulations 2000 and 2002 or section 100 A-K and Schedule 12A to the Local Government Act 1972, as appropriate.

9. Project Boards

- 9.1 Project Boards will be established, on a project basis, by unanimous agreement of the MKIP Board. The Project Board must put a Project Team in place with adequate Project Management support put in place.
- 9.2 When establishing additional projects the MKIP Board will agree:-
 - (a) The terms of reference for the project, including outline scope and timescales;
 - (b) Size and membership of the board including any external advisors;
 - (c) Period of operation;
 - (d) Budget for the project*;
 - (e) Tolerances for cost, quality and timescales*
 - (f) Success criteria for the project*
 - (g) Mechanisms for hosting the project and sharing the cost amongst the various Parties, as appropriate.*

9.3 The process for the production and consideration of business cases will follow the Gateway Decision Making process (Annex A). In the first instance a Project Board including Lead Director (or other senior officer) will be appointed with the MKIP Board receiving a Business Case at a later date on which to make a decision to commit to the project and establish (d), (e), (f) and (g) marked * above

9.4 Projects will be carried out in accordance with any agreed project framework that the MKIP Board has adopted. Whether in line with any adopted framework or not the MKIP Board may request an update and/or take decisions relating to a project if it determines that changes need to be made or it is not satisfied with project performance.

10. Meetings and Chairing of Meetings

10.1 The Chairman and Vice Chairman of the MKIP Board will be the Leaders of the Parties appointed on the basis of the position being rotated annually, as follows:

<u>Chairman</u>	<u>Vice Chairman</u>
Tunbridge Wells	Maidstone
Maidstone	Swale
Swale	Tunbridge Wells

10.2 In the absence of the Chairman and the Vice Chairman at a meeting the meeting will elect a chairman for that meeting who shall be a Leader.

10.3 The quorum for the MKIP Board will be five with at least one person present from each of the Parties.

10.4 The MKIP Board may approve rules for meetings and procedures from time to time. The Chairman will also act as the 'Host' authority for the MKIP (see clause 12).

11. Decision Making

11.1 Recommendations from MKIP Board will normally be made by consensus. Alternatively a vote shall be taken when requested by the Chairman. The vote will normally be by way of a show of hands. A simple majority will be required.

11.2 The MKIP Board may make Proposals and Recommendations for partnership working between two or more of the Parties. When this is the case, consensus will only be required by the Parties involved.

- 11.3 The MKIP Board may make proposals and recommendations for the establishment of Shared or part Shared Services between two or more of the Parties. Where this is the case consensus will only be required by the Parties involved.
- 11.4 The Parties that did not take part in an initial Shared Service or partnership arrangement may do so at a later date subject to a Recommendation from the MKIP Board and agreement by all the Parties involved in the service. Any costs associated with joining later would be agreed between the Parties involved.

12. Host Authorities and Allocation of Roles

- 12.1 In order to achieve the objectives of the MKIP, the Parties will appoint a Host Authority which is, for the time being, the Authority providing the Chairman pursuant to clause 10.1.
- 12.2 Staff from the Host Authority who provide services to the MKIP Board as part of the administration of the MKIP will, at all times, be deemed to be employees of the Host Authority with the exception that in the case of a secondment of a member of staff from one partner to MKIP their pay and terms and conditions shall remain as those of the employer of their substantive role.
- 12.3 Any external support to develop business cases may be funded from the MKIP budget with a Lead Director for each business case appointed from amongst the Parties. The Business Case will need to be approved by the MKIP Board.

13. Budgetary Arrangements

- 13.1 A dedicated budget will be established to take forward the work of MKIP and will be overseen by the MKIP Board who may appoint a Programme Manager or other officer as appropriate for the day to day management of the budget.
- 13.2 Each Party will make a per-head-of-population contribution to MKIP. This funding will be used to establish a budget to enable external advice to be sought (when required) to ensure initiatives are progressed in a timely manner and to explore external funding. The payment will be made on (1 April) of each year.

The initial contribution will be 30p per head of population per annum using the most up to date population estimates (current population estimates of Maidstone 142,800, Swale 128,500 and Tunbridge Wells 104,600). Any funds that are not spent or committed at the year end will be returned based on the proportions outlined above or carried over, as agreed by MKIP Board.

- 13.3 Maidstone Borough Council will be the accountable body for MKIP and will manage the financial arrangements and will hold the budget. This administration will not be funded from the MKIP budget at this stage as the annual cost is expected to be minimal, but will be subject to review on an annual basis.
- 13.4 The cost of implementing any recommendation will be dealt with separately between the Parties who are taking the initiative forward.
- 13.5 The development of a shared or joint service will offer many advantages and these include:-
- (a) To improve the quality of service to communities;
 - (b) To improve the resilience of service delivery;
 - (c) To deliver efficiency saving in the procurement, management and delivery of services;
 - (d) To explore opportunities for trading in the medium to long-term;
 - (e) To share best practice;
 - (f) To stabilise or reduce the environmental impact of service provision;
 - (g) To assist with recruitment and retention;
 - (h) To improve value for money;
 - (i) To improve public satisfaction ratings; and
 - (j) To impact and improve on external assessments and measures.

How these elements will be accounted for in apportioning the costs of any Joint or Shared Services will be considered as part of the final recommendations to each of the Parties involved in delivering the new service.

- 13.6 MKIP will actively seek external funding to progress joint and shared services. This funding would be sought at both the business case development phase and also the implementation phase.
14. Scrutiny Arrangements
- 14.1 Overview and Scrutiny arrangements will be undertaken individually by each of the Parties when the Parties consider the Proposals and Recommendations from the MKIP as part of their decision making processes. However, it is envisaged that joint scrutiny meetings may be considered when appropriate as the Partnership develops. The Lead Director/Project Manager for a particular project would attend meetings as required.
15. Amendments to these Governance Arrangements
- 15.1 These arrangements will be reviewed on an annual basis and may be amended by a unanimous recommendation of the MKIP Board and subsequent agreement by all of the Parties.

16. New Membership and Cessation of Membership

- 16.1 Other councils, or public bodies, may join the Mid-Kent Improvement Partnership provided that the Executive/Council of the joining Council and that of all of the Parties are unanimously in agreement.
- 16.2 Any of the Parties may cease to be a party to these arrangements following a notice of cessation made subsequent to a decision of that authority. A minimum of six months notice is required for any Party to leave the MKIP.
- 16.3 On any of the Parties ceasing to be a party to these arrangements, these arrangements shall continue unless the remaining Parties unanimously determine that those arrangements shall terminate. The benefits and burdens of such termination shall be agreed between the Parties and in default of such agreement shall be determined in accordance with 17.1
- 16.4 Termination of these arrangements may occur by agreement of all of the Parties.

17. Dispute Resolution

- 17.1 In the event of one or more of the authorities being dissatisfied with any aspect of a shared service or element of joint working to the extent that they wish to take or would wish to have another authority take remedial action this will first be discussed by the Heads of Paid Service involved in the relevant Shared Service having consulted with the Chair of the relevant Shared Service Board. Leaders of the Council shall be kept informed of the discussions and any authority may request that the issue be brought to the next MKIP Board meeting for resolution.

If agreement on the matter cannot be reached between those parties or at the MKIP Board meeting then if there is one authority who is not involved in the dispute or an agreement can be reached on an external (to MKIP) party they will act as an independent mediator to resolve the issue. In the event that agreement cannot be reached having followed those procedures then the arbitration clause below will be followed (see flowchart in Annex F)

17.2 Arbitration

Any dispute between the Parties arising out of these arrangements which has not been resolved in accordance with the MKIP dispute resolution procedure where appropriate may on written notice from any party to the dispute to the other party be referred to a single arbitrator to be agreed between the Parties or where no agreement can be reached and having regard to the nature of the dispute by an arbitrator nominated by the chairman of the Local Government Association and will be carried out in accordance with the

provisions of the Arbitration Act 1996 as amended modified and in force for the time being.

18. Claims and Liabilities

18.1 The purpose of these arrangements and any actions taken under them is to assist all of the Parties (or those of the Parties as are engaged in any particular Joint or Shared Service). The Parties therefore have agreed that:-

- (a) all of the costs attributable to the provision of any Shared or Joint Service shall be apportioned between those of the Parties that are engaged in the service and in such proportions as they shall agree (and if not otherwise then in equal shares).
- (b) where one of the Parties takes responsibility for leading on a particular business case and undertakes actions or incurs liabilities in that respect then it shall be entitled to be indemnified by the other Parties for the appropriate proportion of all of its costs and liabilities incurred in good faith.

18.2 Each of the Parties shall at all times take all reasonable steps within its power to minimise and mitigate for any loss for which it is seeking reimbursement from any of the other Parties.

19. Data Protection, Freedom of Information, Information sharing and Confidentiality

19.1 Subject to the specific requirements of this clause, each of the Parties shall comply with its legal requirements under data protection legislation, freedom of information and associated legislation, and the law relating to confidentiality.

19.2 Each Party involved with the development of a business case or delivery of a Shared or Joint Service will ensure compliance with any legislative or legal requirements.

19.3 Each of the Parties shall:-

- (a) treat as confidential all information relating to:
 - (i) the business and operations of the other Parties and/or
 - (ii) the business or affairs of any legal or natural person in relation to which or to whom confidential information was held by that Party ('Confidential Information')
- (b) not to disclose the Confidential Information of any other of the Parties without the owner's prior written consent

19.4 Clause 19.3 shall not apply to the extent that:

- (a) such information was in the possession of the Party making the disclosure, without obligation of confidentiality, prior to its disclosure; or
 - (b) such information was obtained from a third party without obligation of confidentiality; or
 - (c) such information was already in the public domain at the time of disclosure otherwise than through a breach of these arrangements; or
 - (d) disclosure is required by law (including under Data Protection Legislation, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004).
- 19.5 Subject to Clause 19.4, The Parties may only disclose confidential information of another of the Parties to staff who need to know by reason of their work. Each of the Parties shall ensure that such staff are aware of, and comply with, these confidentiality obligations and that such information is not used other than for the purposes of MKIP.
- 19.6 If any of the Parties receives a request for information relating to the partnership activity under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004 then the other Parties shall (at their own expense) assist and co-operate to enable the request to be dealt with.
- 19.7 If a request for information is received then the Party receiving it shall copy it to the other Parties and consider when making its decisions any views of the other Parties and ensure that the request is dealt with within the statutory period.
- 19.8 Notwithstanding the provisions of 19.6 and 19.7 it shall be the Party receiving the request that is responsible for determining at its absolute discretion how to reply to the request.

20. Press and Public Relations

20.1 Publicity in relation to the work of MKIP will be published jointly and agreed with the Chairman of the MKIP Board following discussions with the Parties. Press and public relations will be considered as part of each management board agenda. Any press enquiries will be circulated initially to the Chief Executives in consultation with Leaders for consideration.

21. Exercise of Statutory Authority

21.1 Without prejudice to these arrangements, nothing in these arrangements shall be construed as a fetter or restriction on the exercise by any of the Parties of their statutory functions. The Parties may continue to provide the whole or any part of a service at their own cost notwithstanding that this service is also a Shared Service or a Joint Service.

22. Conduct and Expenses

22.1 Members of each of the Parties will be required to follow their own Member and Officer Code of Conduct at all times and in particular if any individual is speaking on behalf or representing the views of the MKIP.

22.2 Any expenses in relation to the MKIP Board will be met by the individual Parties.

23. Audit

23.1 Internal audit of MKIP will be carried out by the Mid-Kent Audit Service and MKIP audit reports will be presented to the MKIP Board for consideration. Shared service audit arrangements are set out separately below and in shared service collaboration agreements.

24. Complaints

24.1 The Parties will co-operate in relation to complaints made about the Joint or Shared Services and respond to them expeditiously.

25. Business Continuity

25.1 The Parties will ensure that business continuity arrangements are in place, as part of the service plan for any Joint or Shared Service.

SHARED SERVICE GOVERNANCE ARRANGEMENTS

1. Collaboration Agreements

Each shared service shall have an adopted collaboration agreement between the partners in the shared service which will set out the specifics for that service. In order to provide a statement of MKIP's governance intentions and to provide a framework while collaboration agreements are not in place or where they do not set out an aspect of governance the following arrangements shall apply as set out from clause 2. onwards. Where there is a conflict between these arrangements and those set out in the specific collaboration agreements, the collaboration agreement takes precedence.

2. Shared Service Boards

2.1 For each shared service a board shall be appointed to govern the service. The board will have the terms of reference set out in Annex D and the following membership unless otherwise specified:

- One director from each partner (or approved representatives)
- Assurance provided by a lead accountant for shared service as well as other officers for specific assurance needs (legal, performance, audit etc.)

3. Audit

3.1 Each shared service will form part of the Mid-Kent Audit's 3 year audit plan and will be the subject of audit arrangements in each of its partner authorities. Mid-Kent Audit will carry out 1 audit for a shared service that will cover, and be reported to, all partners and to the Shared Service Board for consideration and action as appropriate. Copies of agreed audit responses to limited audit reports will be circulated to the MKIP Board. If a follow-up audit remains limited then this audit report will be presented to the MKIP Board.

4. Performance monitoring

4.1 MKIP will undertake 2 levels of performance monitoring. Shared service level performance and overall level MKIP Performance including finance performance. Shared service performance reports will produced quarterly to the shared service Board whilst an overall performance report will be presented to the MKIP Board. Should the MKIP Board wish to request further information on the performance of a particular service it can do so. Continuous poor performance (over 3 quarters with majority of performance indicators being missed) will be reported to the MKIP Board by the shared service board as a matter of course.

5. Finances

- 5.1 Finance monitoring will take place in 2 forms. MKIP finance performance will be measured with actual savings delivered versus predicted savings as well as with individual finance performance indicators relating to a shared service as agreed in the service plan. Additionally the MKIP budget will be monitored and reported to the Board on a quarterly basis.
- 5.2 Finances will also be considered in all projects including an investment profile, including an investment score for an investment over 5 years. This will be used for existing services and for potential future services and will produce an overall investment score for MKIP to show the value and return partners receive from the MKIP partnership.

6. Overview and Scrutiny

- 6.1 Each shared service will be subject to the Overview and Scrutiny procedures at its partner authorities and officers will be subject to the Overview and Scrutiny procedure rules of the authorities. Where more than one authority wishes to scrutinise a shared service or aspect of a shared service, every effort will be made to avoid duplication, for example through holding a joint Overview and Scrutiny meeting or sharing Overview and Scrutiny reports.

7. MKIP Work Programme

- 7.1 Once operational each shared service shall remain part of the MKIP Work Programme which will be updated with ongoing shared service improvements and projects.

8. Other

- 8.1 Unless otherwise specified here or in its collaboration agreement a shared service will remain subject to the governance arrangements of any employing authorities in the partnership. This includes external audit or other inspections. The collaboration agreements for each shared service set out the agreements on access to information between partners for a given service, but in the absence of specific terms, a Head of a Shared Service shall make information relating to the running of a shared service available to partners in that shared service on request as though the service were part of the requesting partner's organisation, whether or not this remains the case (for example where the service is wholly being provided by one authority to another) subject to clause 19 in the Mid Kent Improvement Partnership section of the governance arrangements.

TERMS OF REFERENCE OF THE MID KENT IMPROVEMENT PARTNERSHIP
BOARD

1. To approve and own the MKIP Programme and provide direction to the MKIP Programme Manager
2. To initiates Shared Service projects and appoint project and shared service boards
3. To sets MKIP objectives and direction
4. To join together strategic plans and form an MKIP strategic plan
5. To take decisions on overarching MKIP issues and policies
6. To take decisions on specific project/service issues outside of the remit of the project and shared service boards
7. To receive Audit reports with limited assurance on follow-up
8. To monitors MKIP Performance and Finance and agree actions to resolve performance and finance issues
9. To review these arrangements from time to time and make recommendations to the Parties for improvement.

TERMS OF REFERENCE OF THE MID KENT IMPROVEMENT
PARTNERSHIP PROJECT BOARDS

To be responsible for the delivery of a shared service project as set out by the MKIP Board and in accordance with any project framework adopted by the MKIP Board, including:

1. To identify and appoint appropriate project team members, ensuring that all parties' interests and areas of expertise are adequately covered;
2. To be responsible for any budget provided to the project by the MKIP Board and to report any variance from the budget to the MKIP Board;
3. To report any variations from the tolerances set by the MKIP Board, specifically those that relate to quality, cost and timescales;
4. To provide updates to the MKIP Board at quarterly MKIP Board meetings as a minimum;
5. To ensure that all projects have appropriate levels of project assurance at all times;
6. To raise any project issues with the MKIP Programme Manager in good time
7. To ensure a robust communications plan is in place and to ensure regular liaison with partners and that partners and all stakeholders are informed on project progress at all times; and
8. To ensure the project follows and meets all legal and statutory requirements for example relating to Human Resources processes or changes

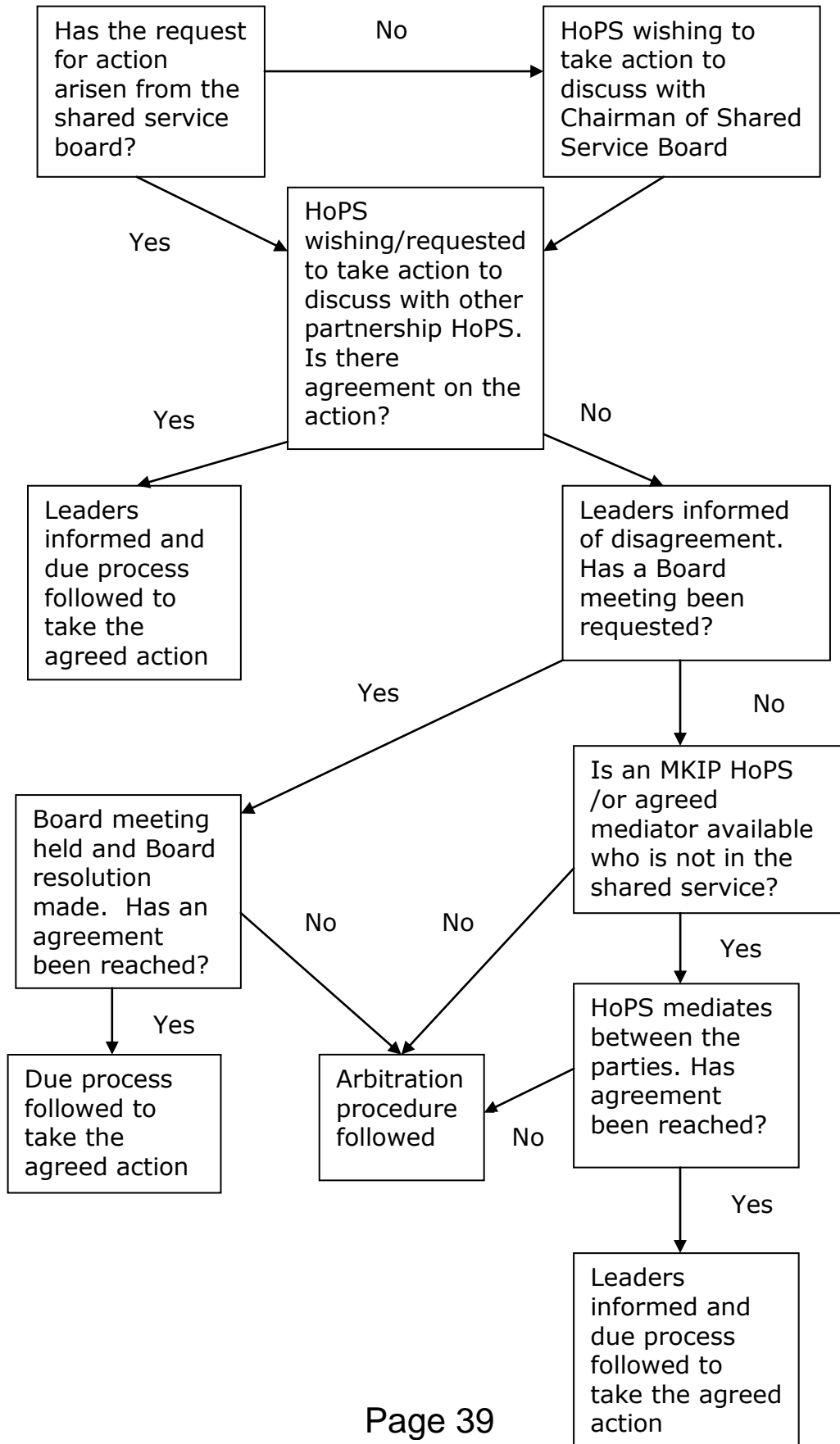
TERMS OF REFERENCE OF THE MID KENT IMPROVEMENT
PARTNERSHIP SHARED SERVICE BOARDS

Shared Service Boards will provide the following governance actions:

- a Agree the Service Plan for each Financial Year
- b Advise on the management of and agree variations to the budgets for the shared service including approving items of savings and growth to go forward to each partner authority to form part of their annual budgeting process and consideration in setting their budgets for the service
- c Advise the relevant Head of Paid Service (or nominee) on the appraisals of the Joint Head of Service
- d Receive reports on and consider the finance and performance of the shared service
- e Provide strategic direction as required
- f Provide reports to the MKIP Board when requested, when the Shared Service Board wish to raise a general MKIP issue or when the service underperforms (i.e. fails to meet the majority of targets over 3 quarters) or the Shared Service Board wish to make significant changes to the agreed service plan

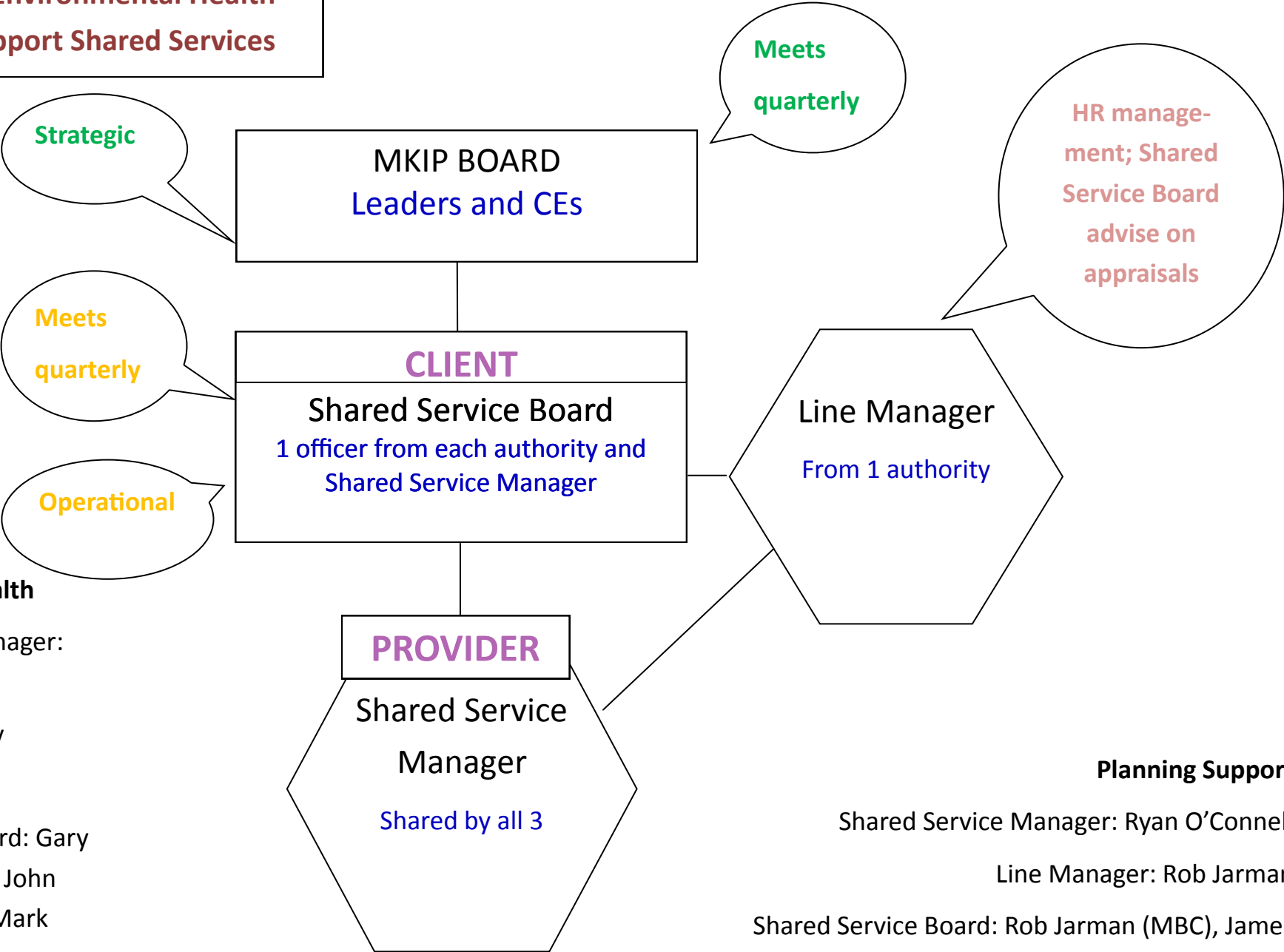
Role of the MKIP Programme Manager

1. To create and hold the MKIP programme on behalf of the MKIP Board and as directed by them
2. To manage and deliver the MKIP Programme
3. To liaise with senior officers (including s151 officers, monitoring officers, and Directors) to provide assurance for the MKIP programme
4. To commission internal and external teams to deliver the MKIP work programme
5. To be responsible for MKIP Communications and deliver the MKIP Communications Strategy
6. To manage any MKIP budgets and the receipt of partner contributions
7. To advise and raise any issues with the MKIP Chief Executives and MKIP Board as required
8. To liaise with Shared Service Boards and managers to identify issues and problems impacting on shared services
9. To follow any MKIP Project Management framework adopted by the MKIP Board and to ensure that all MKIP Projects are delivered in accordance with that framework
10. To provide project management assurance as required by MKIP Project Boards
11. To represent the interests of all MKIP Partners equally and to ensure that partnership working is considered in decision making at all three authorities
12. To promote MKIP and increase awareness of the objectives and activities of MKIP at all times



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Governance for Environmental Health and Planning Support Shared Services



Environmental Health

Shared Service Manager:

Tracey Beattie

Line Manager: Gary

Stevenson

Shared Service Board: Gary

Stevenson (TWBC), John

Littlemore (MBC), Mark

Radford (SBC)

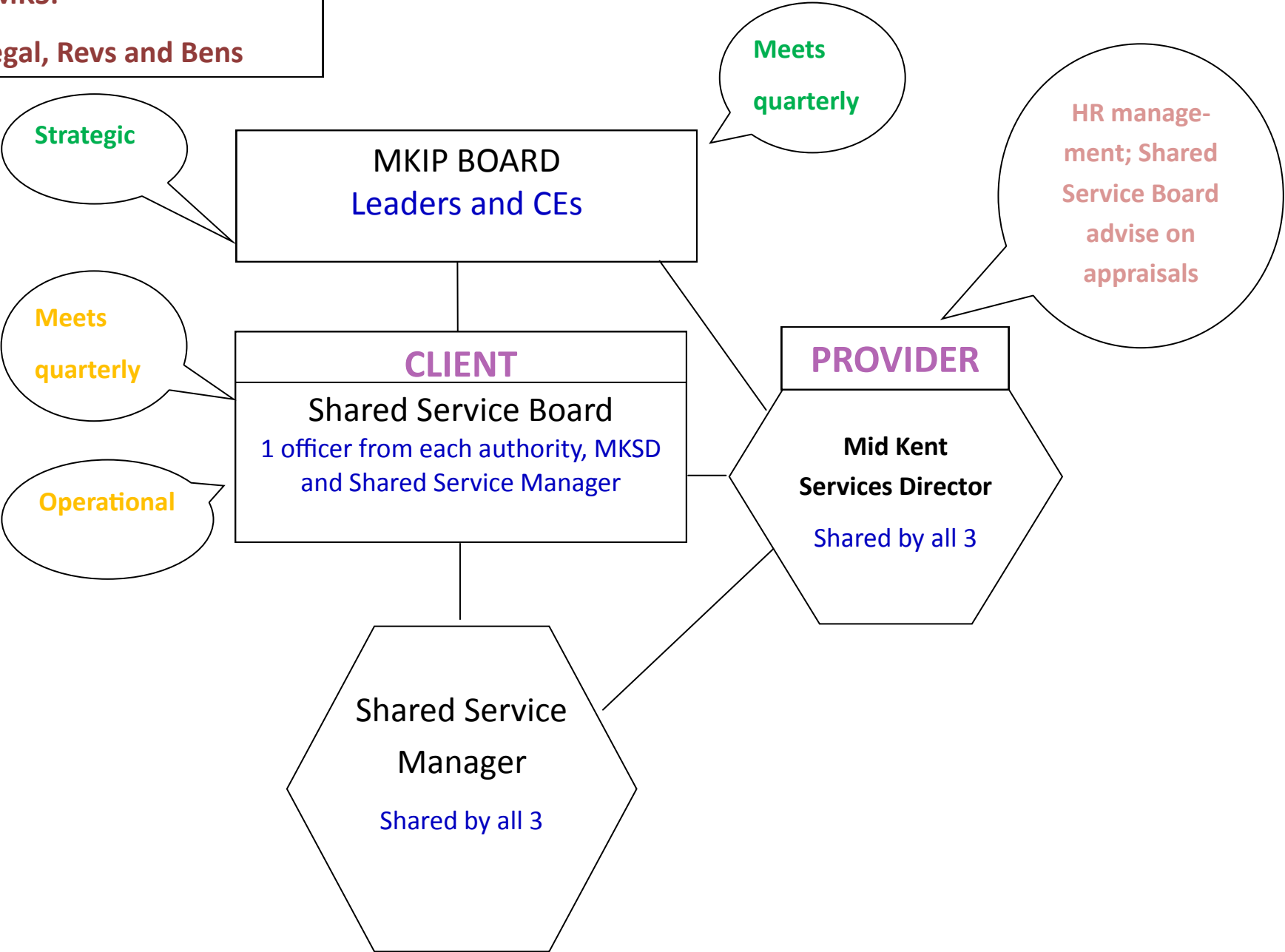
Planning Support

Shared Service Manager: Ryan O’Connell

Line Manager: Rob Jarman

Shared Service Board: Rob Jarman (MBC), James
Freeman (SBC), Jane Lynch (TWBC)

Governance for MKS:
Audit, HR, ICT, Legal, Revs and Bens



Internal Audit (4-way also shared with Ashford)

Shared Service Manager: Rich Clarke

Line Manager: Paul Taylor

Shared Service Board: David Edwards (MBC), Mark Radford (SBC), Lee Colyer (TWBC), Paul Naylor (ABC)

**Governance for MKS:
Shared Service Board Arrangements**

HR and Payroll (2-way MBC and SBC)

Shared Service Manager: Dena Smart

Line Manager: Paul Taylor

Shared Service Board: David Edwards, Mark Radford

ICT (3-way)

Shared Service Manager: Andy Cole

Line Manager: Paul Taylor

Shared Service Board: David Edwards, Mark Radford, Lee Colyer

Legal (3-way)

Shared Service Manager: John Scarborough

Line Manager: Paul Taylor

Shared Service Board: David Edwards, Mark Radford, Lee Colyer

Revenues and Benefits (2-way MBC and TWBC)

Shared Service Manager: Steve McGinnes

Line Manager: Paul Taylor

Shared Service Board: David Edwards, Mark Radford, Lee Colyer

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Summary of findings from the Member survey

Purpose

As part of the scoping report, the Joint Overview & Scrutiny Task & Finish Group agreed that it would be helpful to survey the non Executive members of the three authorities on how much they know about MKIP, what decisions it takes, what would be the best method of influencing decision-making and whether they know who to contact if a member of the public has a query about a shared service.

Methodology

The survey was produced on online survey software, Survey Monkey. Elected members in each of the three authorities of Maidstone, Swale and Tunbridge Wells were informed that the survey was taking place and provided with a link to access the online questionnaire. Provision was also made for those without computer/internet access with hard copies being circulated to members where necessary prior to or after meetings.

Response rate

The survey was open for a period of two weeks and received a total of 35 responses. With a total of 150 elected ward members across the three authorities (this equates to a 23.3% response rate). Of the 35 responses, 13 responses were received from Maidstone, 5 from Swale and 17 from Tunbridge Wells.

Members of the Task & Finish Group acknowledged that there had been a low response rate but agreed that the information received had provided some insight into members' understanding and would be considered as one source within a wealth of information gathered during the witness sessions of the Task & Finish Group's work.

Findings – awareness of the Mid Kent Shared Services

There are seven shared services provided under the umbrella of the Mid Kent Improvement Partnership, with five reporting to the Mid Kent Services Director.

- 69% of respondents thought there were five shared services
- 14% of respondents thought there were six shared services
- The remaining respondents recorded responses of 4, 8 or 9 shared services

When asked to name the five Mid Kent Shared Services that report to the Mid Kent Services Director, only four respondents managed to name all five correctly, two from Maidstone and two from Tunbridge Wells.

Of the responses provided, those which were not Mid Kent Services were sharing or partnership arrangements for service delivery such as licensing and planning support.

Four of the Mid Kent Shared Services featured in the top five responses. Overall, 80% of respondents thought that Legal was an Mid Kent Services shared service and 69% said that ICT was an MKS shared service. Just over half of respondents identified Audit (54%) and the Revenues & Benefits shared services as being part of the Mid Kent Services group (51%).

Findings – confidence in understanding the difference between a Mid Kent Services shared service and other shared services provided by MKIP

- 36% of respondents were confident in their understanding of the shared services provided under the umbrella of the Mid Kent Improvement Partnership
- 21% of respondents provided a neutral response
- 42% of respondents did not feel confident

Findings – confidence in knowing where to get information about what is being discussed by the MKIP Board

- 33% of respondents felt confident in obtaining this information
- 18% of respondents provided a neutral response
- 48% of respondents did not feel confident

Findings – understanding of the MKIP governance arrangements

- 30% of respondents felt confident and understood these arrangements
- 18% of respondents provided a neutral response
- 51% of respondents did not feel confident in understanding these arrangements

Findings – which authority is the current lead for MKIP

This question could have been confused to members as the question asked who was the lead for 2014/15. The lead authority changes on an annual basis and changed to Tunbridge Wells BC in September 2014.

- 21% of respondents correctly named Tunbridge Wells
- 21% of respondents thought it was Maidstone
- 9% of respondents thought it was Swale
- 45% of respondents reported that they did not know

Findings – who is the Mid Kent Services Director

Paul Taylor is the Interim Mid Kent Services Director.

- 45% of respondents correctly named Paul Taylor
- 48% of respondents reported that they did not know

Findings – obtaining information on MKIP

The most popular option for gaining information about what was happening with MKIP was member email bulletins (39%), the second most popular answer was to speak to officers with 33% of respondents selecting this option.

Findings – confidence in explaining shared services to the public

- 39% of respondents felt confident in their ability to explain shared services
- 30% of respondents provided a neutral response
- 27% of respondents did not feel confident

Findings – how would members influence a cabinet decision about MKIP before it was made

Overall, 30% of respondents said that if they wanted to influence a decision about MKIP before it was made they would raise it with their group leader. 25% would speak to the relevant officer. A further 18% of respondents would raise the matter with the relevant portfolio holder and 15% said they would raise it with their Overview & Scrutiny Committee.

Most importantly, 77% of respondents said that they were aware that all key decisions in relation to MKIP remained with the individual cabinets of the three authorities. 23% of respondents were not aware of this.

Mid Kent Improvement Partnership (MKIP) and Mid Kent Services (MKS) Communications Plan 2015/16

Aim: for members and staff to understand and trust MKIP and MKS.

Our objectives are:

- Members to understand the aims of MKIP/MKS
- Members to understand the governance arrangements of MKIP/MKS
- Members to feel that they are involved in the MKIP/MKS decision making process

- Staff to understand the aims of MKIP/MKS
- Staff to understand the difference between MKIP/MKS
- Staff to feel informed of the MKIP/MKS decision making process

Who do we need to talk to?

1. Members
2. Staff

Key messages: 2015/16 is focussed on raising awareness of MKIP and MKS so that members and staff understand what they are, how they work and how they can get involved should they wish to do so. Depending on how this progresses, it may be appropriate to start using some key messages to emphasise the benefits of working in partnership these are:

Working in partnership:

- Makes the best use of residents' Council Tax
- Saves money in the long term
- Makes services more resilient
- Increases job variety and security

How will we know our plan is a success?

The following measures will be used:

Members	Staff
66 per cent understand MKIP/MKS	70 per cent understand MKIP/MKS
66 per cent understand MKIP's/MKS' governance	70 per cent understand MKIP's/MKS' governance
66 per cent feel that they are involved in the decision making process	70 per cent feel that they are informed of the decision making process

How will we review success and what will we do with it?

The actions outlined in the table below will be implemented in 2015/16 and will be reviewed using the following methods:

- Member survey
- Staff surveys (using the MKIP/MKS survey and the internal surveys of the parent authorities)

The results will be fed back to Members, the MKIP board and communications and HR teams in the three authorities. This will then form part of an annual action plan.

Action	Audience	Date (when it is to be delivered)	Method / Media for delivery (e.g. presentation, informal meeting, e-mail and so on)	Who (who will deliver)	Progress
Members					
MKIP board paperwork	All members	Agenda - prior to each MKIP board meeting Minutes - following each MKIP meeting	Emailed to all Members Hard copies placed in Members' Rooms	Jane Clarke	
MKS annual report	All members	Tbc	Emailed to all Members Hard copies placed in Members' Rooms	Jane Clarke	
MKIP Who's who	All members	May 2015 – as part of induction	Emailed to all Members Hard copies placed in Members' Rooms	Jane Clarke	
Member Briefing	All members	Tbc	Presentation from MKIP Boards	Relevant Chief Executive Relevant Lead Members and or MKS Director	
Member Briefing	All members	May 2015 – as part of induction	Presentation from Heads of Service	Jane Clarke to coordinate with relevant democratic services teams	
Member survey	All members	March 2016	Hard copy, email and possibly other electronic means	Paul Taylor/Jane Clarke	

Action/Message	Audience	Date (when it is to be delivered)	Method / Media for delivery (e.g. presentation, informal meeting, e-mail and so on)	Who (who will deliver)	Progress
Staff					
MKS Newsletter	All staff	Quarterly	Email from communications team and/or distributed in monthly staff newsletters	Paul Taylor/Jane Clarke to prepare. Communications	First edition issued in December 2014.

Action/Message	Audience	Date (when it is to be delivered)	Method / Media for delivery (e.g. presentation, informal meeting, e-mail and so on)	Who (who will deliver)	Progress
				Teams to distribute	
MKIP Who's who	All staff	Annually	Email from communications team and/or distributed in monthly staff newsletters	Paul Taylor/Jane Clarke to prepare. Communications Teams to distribute	
Intranet updates	All staff	May 2015	Intranets	Paul Taylor/Jane Clarke to prepare. Communications Teams to distribute	
Explore capacity for dedicated partnership webpage	All staff	March 2016	Intranet	Jane Clarke	
Staff survey	All staff	March 2016	Hard copy, email and possibly other electronic means	Paul Taylor/Jane Clarke to prepare and to discuss distribution with communications teams	

Term	Description
Client representative (Lead Client)	The officer at each authority who sits on the Shared Service Boards and has responsibility for ensuring the Shared Service is performing well and meeting the requirements of the Service Level Agreement.
Gateway	'Gateway' has two different meanings in the context of MKIP: (i) 'Gateway' is a common term used within project management systems such as PRINCE 2 and refers to different stages of a project which must be completed before moving onto the next stage; (ii) 'Gateway' in regards to MKIP relates to a slimmed down methodology to ensure the efficient development of a business case.
Internal client	Any member of staff from across the individual authorities who is accessing/in receipt of services provided by the shared service.
MKIP	Mid Kent Improvement Partnership: the arrangement where Maidstone, Swale and Tunbridge Wells Borough Councils have shared service delivery for certain functions and services.
MKIP Board	Comprised of the Leaders and Chief Executives of Maidstone, Swale and Tunbridge Wells Borough Councils, plus the Mid Kent Service Director and MKIP Programme Manager. The MKIP Board meets quarterly to oversee the operation of shared services at a strategic level.
MKS	Mid Kent Services: a group of shared services established under the umbrella of the Mid Kent Improvement Partnership including Audit; Human Resources; ICT; Legal; and Revenue and Benefits.
MKS Director	An interim Director has been appointed to oversee Mid Kent Services for a trial period of a year.
Monitoring Officer	Each council is required by statute to have a Monitoring Officer who: <ul style="list-style-type: none"> ▪ reports on matters he/she believes are, or are likely to be, illegal or amount to maladministration; ▪ is responsible for matters relating to the conduct of councillors and officers; and ▪ is responsible for the operation of a council's constitution.
Provider	The officer directly responsible for the provision of services back to the individual authorities.
Section 151 officer	Section 151 of the Local Government Act 1972 requires every council in England and Wales to "... <i>make arrangements for the proper administration of their Finance affairs and shall secure that one of their Officers has responsibility for the administration of those affairs</i> ".
Shared Service Boards	Shared Service Boards have been established for each of the seven shared services. They approve and review the annual service plans, monitor performance and finances and provide operational direction. Reporting forms are presented to the Shared Service Boards which capture the above information. Any key issues arising from the Shared Service Boards are reported up to the MKIP Board.
Shared Service Managers	The direct line manager of a Shared Service who is sometimes a Head of Service and sometimes a Service Manager.
Tri-Cabinet	Specially convened joint meetings of the individual Cabinets from each of the authorities (<i>e.g. Maidstone Borough Council, Swale Borough Council and Tunbridge Wells Borough Council</i>). If an arrangement were to take place with another authority outside of MKIP, a special meeting would be convened of the individual Cabinets to review the proposal.

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12 January 2015		Agenda Item 5
<i>Review of Mid Kent Improvement Partnership</i>		
Lead member:	Councillor Andy Booth	
Report author:	Bob Pullen – Policy and Performance Officer	
Recommendation		
That the Committee:		
<p>are advised to consider the verbal update from Paul Taylor, Mid-Kent Services Director, on his objectives, and Zena Cooke, Director of Regeneration and Communities at Maidstone Borough Council, on the work of the cross authority Project Team established to undertake an independent review of the Mid Kent Services Director Role.</p>		

1 Purpose of report and background

- 1.1 At the special co-located meeting of the three Overview and Scrutiny Committees on Monday 7 July, it was agreed to set up a joint task and finish group to review the governance and communications of MKIP.
- 1.2 As part of the review the Mid-Kent Services Director, Paul Taylor, provided information to the Task and Finish Group, and it was agreed that Mr Taylor would attend a co-located, simultaneous meeting of the three Overview and Scrutiny Committees to provide an update on his objectives.

2 Conclusion

- 2.1 The Committee are advised to consider the verbal update from Paul Taylor, Mid-Kent Services Director, on his objectives, and Zena Cooke, Director of Regeneration and Communities at Maidstone Borough Council, on the work of the cross authority Project Team established to undertake an independent review of the Mid Kent Services Director Role.

3 Officer contacts

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Project Team Assessment Criteria - MKSD

1. Vision and identity

- i. A medium term vision for Mid Kent Services will be produced;
- ii. A Mid Kent Services culture and way of working that complements the three authorities and provides a sense of identity will be produced;
- iii. MKS staff satisfaction levels will have increased;
- iv. Client (Shared Service Boards and users of the MKS services) and MKIP Board satisfaction levels will have increased.

Baseline evidence for measurement of above:

- a. Shared Service Manager Key Messages document – has the picture improved 12 months on?

(Key Messages document is the face-to-face questionnaire conducted in January 14 with all Shared Service Managers to gauge their feelings on MKIP and where they felt MKIP should go next).

- b. Client survey results for shared services – has the picture improved 12 months on?
- c. Staff survey results for MKS shared service staff – has the picture improved 12 months on?

2. Accepting new and consolidating existing partnerships

- i. A shared service plan will be produced using a consistent MKIP service planning template for each Mid Kent Service;
- ii. SLAs and Collaboration Agreements will be produced for each Mid Kent Service;
- iii. Consolidate the Legal Services teams and oversee the potential alignment under one employer;
- iv. Complete the work to put in place enabling infrastructure for ICT partnerships to develop further partnerships with other authorities.

Baseline evidence for measurement of above:

- a. Current service plans and shared service plans for each service, if any;
 - b. Current Collaboration Agreements and SLAs for each service, if any.
-

3. Performance and governance

- i. Proposals for improving performance on key indicators, and suggestions for new indicators are included in the “plotting a course for the future” document (see 4. below).
- ii. Performance indicators will be consolidated and streamlined across the three authorities, based on the individual performance standards of each authority.

Baseline evidence for measurement of above:

- a. Current performance indicators, with end of year performance targets for 13/14, if any.
(Any already identified business case improvements will be removed from the assessment).
-

4. Plotting a course for the future

- i. Deliver Mid Kent Services within the budgets already set for 2014/15;
- ii. Deliver savings already identified for Mid Kent services for 2014/15;
- iii. Produce a report setting out proposals for future direction from 2015/16 (to include suggested savings/increased income where possible as part of each council’s MTFS process, and improving performance indicators).

Baseline evidence for measurement of above:

- a. Budgets for each service compared with out-turn;
 - b. Savings targets already identified within each service for each council compared with actual savings delivered.
-