

Development management Shared Services

Relevant Portfolio Holder	Cllr C. Taylor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ruth Bamford
Ward(s) Affected	n/a
Ward Councillor(s) Consulted	n/a
Key Decision / Non-Key Decision	Non- Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 Cabinet considered the business case for a shared Development Management service between Bromsgrove District Council and Redditch Borough Council at its meeting on 2nd November 2016. It recommended that Council approve the business case.
- 1.2 The Council meeting on 23rd November deferred consideration of the Cabinet recommendation and the business case to enable cross party discussion to be held on financial risk and cost apportionment.
- 1.3 This report re-presents for consideration by the Cabinet the business case for a shared Development Management service (DM) between the two councils . Additional information is included at Appendix 2 in response to the discussion at Council in November.

2. RECOMMENDATIONS

Cabinet is asked to **RECOMMEND** to the Council that:

- 2.1 The business case for the Development Management shared service be approved.

3. KEY ISSUES

Financial Implications

- 3.1 The shared service business case contains details of the existing and proposed staffing structures. The existing individual authority staffing costs are

a) Bromsgrove District Council	£ 573,000
b) Redditch Borough Council	<u>£ 275,000*</u>
Total	£ 848,000

*inc the Town Centre Co-Ordinator post which is charged to Redditch only.

- 3.2 Following the application of the local Job Evaluation assessments the proposed staffing structure costs for the new shared service are £873,000.
- 3.3 The reasons for the increase in staffing cost are:
- a. Increased management costs due to salaries attracting Hay grading;
 - b. The creation of a new grade 6 post to replace the use of current consultants and temporary staff;
 - c. Increased application numbers and fee income, as shown in Appendix D of the attached Business case.
- 3.4 In relation to the revised shared service costs, it is proposed that the new service is charged to both Councils on the percentage share detailed below:
- Bromsgrove 67 %
 - Redditch 33 %

Legal Implications

- 3.5 Bromsgrove and Redditch Councils have developed a Strategic Alliance/shared services arrangement referred to as the Shared Services Framework Agreement. This Agreement sets out the basis upon which both Councils have agreed to work together by way of shared teams working across both authorities. The legal basis for the Strategic Alliance is Section 2 of the Local Government Act 2000 and in relation to staffing arrangements Section 113 of the Local Government Act 1972.
- 3.6 As the shared Development Management service will be hosted by BDC, it will be necessary for the staff currently employed by RBC to be transferred to BDC under the TUPE (Transfer of Undertakings, Protection of Employment) Regulations. Those staff transferring will be employed under the BDC terms and conditions bringing all the staff in the shared service into the same pay structure.
- 3.7 The creation of the shared service for staff will have no affect on the delivery of service in terms of the day to day activities undertaken for both councils. Each Council will continue to have control over the discharge of its planning functions through Full Council and Planning Committee. Likewise each authority will be able to exercise oversight of the planning function via the usual audit and scrutiny processes.
- 3.8 This report is an exempt item under the Access to Information Rules in that consultations regarding employment issues arising from this report although planned have not yet taken place at the time of this report being prepared for members (paragraph 4).

Service / Operational Implications

- 3.9 The proposed staffing structure has resulted in the loss of two FTE posts. Accordingly two current posts will be at risk of redundancy.
- 3.10 The proposed shared service structure allows for the creation of a new grade 6 post. The net loss of posts will therefore be one.
- 3.11 As detailed in the Business case, the service will be hosted by Bromsgrove District Council as it receives more applications and covers a larger geographical area.

Customer / Equalities and Diversity Implications

- 3.12 The business case outlines the potential employment risks that are associated with this business case. The Council will need to consider these alongside general recruitment and selection policies and commitment to equality of opportunity.

4. RISK MANAGEMENT

- 4.1 Consultation with all affected staff and their representatives will aim to ensure they are aware of the proposals and supported through the implementation process.

5. APPENDICES

Appendix 1 - Business Case for a Development Management Shared Service
Appendix 2 – Additional Information relating to the Development Management Shared Service including pension funding, redundancy and salary costs.

6. BACKGROUND PAPERS

None.

7. KEY

AUTHOR OF REPORT

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