

**Local Government North Yorkshire and York
16 September 2011**

**Future Collaborations Update Incorporating Shared Services, Asset Management
and Fleet**

1.0 Background

1.1 District and County Leaders approved a paper on “Future Collaborations” in April 2010. Since that date collaborative work has progressed across a number of areas with parties across York and North Yorkshire.

1.2 This report seeks to update Members on the following areas:-

PAPER A Shared Services	}	Subject of consideration in April 2010 and subsequent RIEP funding
PAPER B Asset Management		
PAPER C Fleet Management –		earlier collaborative theme

2.0 Recommendations

2.1 Recommendations are included in each of the relevant Papers attached to this covering report.

PAPER A – SHARED SERVICES

Future Collaborations Group

North Yorkshire & York Shared Services

Local Government North Yorkshire & York 16 September 2011

Introduction

1. This report is structured in two parts:
 - (a) Part 1 provides a brief reminder to the background of this project with the recommendations for the way forward.
 - (b) Part 2 provides more detailed information about each aspect of the project including an overview of what has been achieved, along with some issues for consideration.

Part 1

Background to the project

2. District and County Leaders considered a paper on “Future Collaborations” in April 2010 which facilitated a discussion and led to the formation of some conclusions on future ways of working between the councils and other public sector partners. Following informal feedback from each council the Local Government Board in October 2010 committed to exploring a shared service programme across North Yorkshire and York. Members agreed that the Programme, which has been supported by RIEP funding (£220k), would provide two deliverables
 - (a) a Strategic Delivery Plan/Framework and
 - (b) four business cases covering
 - Access to Public Services in Harrogate (because of the scope to provide a model for adoption across the sub region);
 - Revenues & Benefits (a key front line service for York City Council and the district councils);
 - Economic Development (because of the then impending LEPs); and
 - CCTV (as a follow up to work initiated by the NYSP Safer Communities Forum).
3. Following the appointment, in February 2011, of a consultant to support the project, work has been underway to document and assess the potential for sharing in each of these areas. Chief Executives at their meeting in May considered outline cases and discussed the potential for further work. At that meeting it was agreed that there was significant potential in Access to Services and moreover that the scope should be widened from Harrogate only to a sub regional context. It was also agreed that there was scope to further explore opportunities in Revenues and Benefits, accepting the national policy debate that is underway, but less scope for CCTV and Economic Development. Work continued on the shared services strategy and the business cases and was completed at the end of July 2011. The resulting documents were provided to each council and this report summarises the key findings, along with recommendations about the way forward.

Recommendations

4. This section of the report sets out the recommendations for each element of the project i.e. the Strategy and the four business cases.
5. For the **overarching strategic framework** it is recommended that the approach is based on clusters of councils initially, with opportunities for other public sector organisations to work with the appropriate cluster as they choose; a focus on priority services; partnership working founded on “a coalition of the willing” with scope for individual partners to join at a later date; and a commitment to action. Agreement is also sought for an annual review of partners to identify forthcoming opportunities for sharing.
6. For the **Access** business case it is recommended that
 - a) The implementation of a joint web and telephony infrastructure and service be committed to as the top priority to be delivered. That in doing so, participating councils accept that they are committing to joining the full service for web and telephony including the technology, staffing and other supporting elements.
 - b) That NYCC, Selby, Richmondshire and Hambleton Councils are recommended as the councils to be involved in the initial implementation phase with the remaining councils confirming their commitment to the joint approach at a future date which is appropriate to them, should they decide to do so (York has indicated that an interest in further discussions on the technology infrastructure).

If the recommendations are supported, it is recognised that this will build on the work of the Connect partnership (which enables the technology solution) with a project focussed on the transformational elements including sharing staffing and joint approaches on processes/procedures and dealing with customers.

Further, those councils involved in the pilot will work together to produce a detailed project plan along with specific information which explores the implications for the individual councils. These will then be provided to those councils to enable a final commitment to the project to be made.

7. For the **Revenues and Benefits** business case it is recommended that more detailed explorations are committed to with a further report back within six months to enable a decision to implement a shared service or not, to be taken. These explorations will include securing discussions with the Department of Work & Pensions to better understand the implications of the Universal Credit and whether this provides opportunities, or not, for creating a shared service - either in part or completely - across the sub region. It is also proposed that the explorations focus on a cluster of councils which have indicated their ability to move forward in line with the timescales and can be actively involved in these explorations and includes Selby, Craven, Richmondshire and Hambleton Councils. York has also indicated its interest to be involved in the further discussions around Universal Credit.
8. The explorations which have supported the development of a business case for **Economic Development** have helped us to show that because of the pace of change in this area over recent months, the deliverability of savings through shared services is questionable. There is scope however, to seek to increase the resilience, ability and capacity of our collective Economic Development resource and on this basis it is recommended that we

- a) agree to share a statistics service using the data provided by the NYCC/LEP support team
 - b) build on the new LEP support team which is providing strategic input
 - c) retain within each council local delivery arrangements
 - d) further explore how the collective resources will work together to deliver the LEP strategic aims whilst supporting local delivery.
9. It is recommended that sharing for **CCTV** be based on the low level of sharing option which includes a sub regional CCTV user group for partners, and the sharing of training and procurement where appropriate. Opportunities for higher levels of sharing can also be pursued by individual councils working together – these would be initiated by the particular councils rather than as part of a sub regional shared service project. Alternatively individual councils can initiate discussions with the larger CCTV providers in the region to explore contractual arrangements which deliver efficiencies as an alternative approach to delivering the CCTV service in-house.
10. That high level business cases are developed on **other services**. Jacobs have recommended that ICT, procurement, internal audit and legal have a role to play in supporting shared services and it is therefore recommended that high level business case are developed in these areas over the next 12 months to identify if there is scope and opportunities to develop sharing for these services (clearly there is scope to exclude internal audit from this because of the work which is ongoing in this area).

Part Two

Achievements

11. The project has delivered the overarching strategy and four business cases. These have been developed with the support of Jacobs and officers from all councils. Work has been ongoing over the past six months to engage with each council, gather and analyse data and arrive at conclusions which have informed the strategy and the business cases. This process has not been without some difficulties including not being able to engage fully with all councils and all the issues, for legitimate local reasons, and this has meant that in some instances we did not receive all the information we needed to feed into the process at an early stage. Notwithstanding this we have made significant progress, particularly with those councils who have engaged. We are, therefore, in a position to conclude that the project has delivered the strategy and the business cases, whilst recognising that the detail on which the recommendations are based may not be robust to the final degree they do give sufficient confidence on which to move forward.
12. Further detail is provided on the Strategy and the four business cases in the Appendices. Additionally each council has been provided with a full set of documentation from Jacobs which contains all the business cases and the strategy.

Issues

13. There continues to be a high level of appetite for sharing across the councils which builds on successes already made through a range of existing and ongoing collaborations. However, there is an increasing desire to see some action being taken – to achieve this it will be necessary to accept that we have not, and cannot, explore in detail all the possible scenarios, risks and benefits that come with sharing services. If we are to move forward there will need to

be a degree of calculated risk-taking by using the available information to commit to a set of agreed actions which deliver tangible shared services.

14. If support is given to moving forward it is envisaged that initially staff will remain in existing locations where possible so that we, in effect, create “virtual” centralised teams. To secure all or further savings it may be necessary to review this and we can do so at the appropriate time. Councils which therefore, commit to the sharing opportunities will need to do so in the knowledge that there will be implications for staff as we move forward e.g. numbers employed and terms and conditions.
15. Rather than moving forward with a range of services it is proposed that the focus of implementing a shared services strategy should be on one or two priority services and whilst doing so, giving further consideration to some enabling services such as ICT and Procurement.
16. There remains some project funding from RIEP of approximately £100k to implement the next stages.
17. Some councils have expressed a strong desire to be part of any initial work, whilst others have indicated that they may join at a later date when there have been some successes/evidence of the benefits of sharing or when local circumstances allow. Our approach should be flexible to accommodate this.
18. If the recommendations are supported an appropriate project structure, using existing resources and the knowledge gained from this initial phase, will be put in place to lead on and implement the decisions taken.
19. Through the Future Collaborations group, other partners were involved in this project and kept informed throughout and although many are pursuing other shared services opportunities, we will maintain contact with them, sharing this report and exploring opportunities as they arise.

Future Collaborations Group Chair: Peter Simpson, Hambleton & Richmondshire District Councils.

Report Author: Liz Smith, Deputy Chief Executive/Executive Director, Hambleton & Richmondshire District Councils.

The Overarching Strategy

1. In developing an overarching strategy we sought to address the following challenges:
 - Can a strategic framework be agreed on which defines our level of ambition on shared services, governs the pace and priorities over the next two years and sets the tone for constructive challenge amongst peers?
 - Working together strategically across the sub region whilst not fettering ongoing relationships involving small groups or pairs of partners.
 - Is the time now right to build further the thinking and behaviours that will enable the whole group of Councils to work more proactively together in an inclusive and transparent culture through a strategic framework?

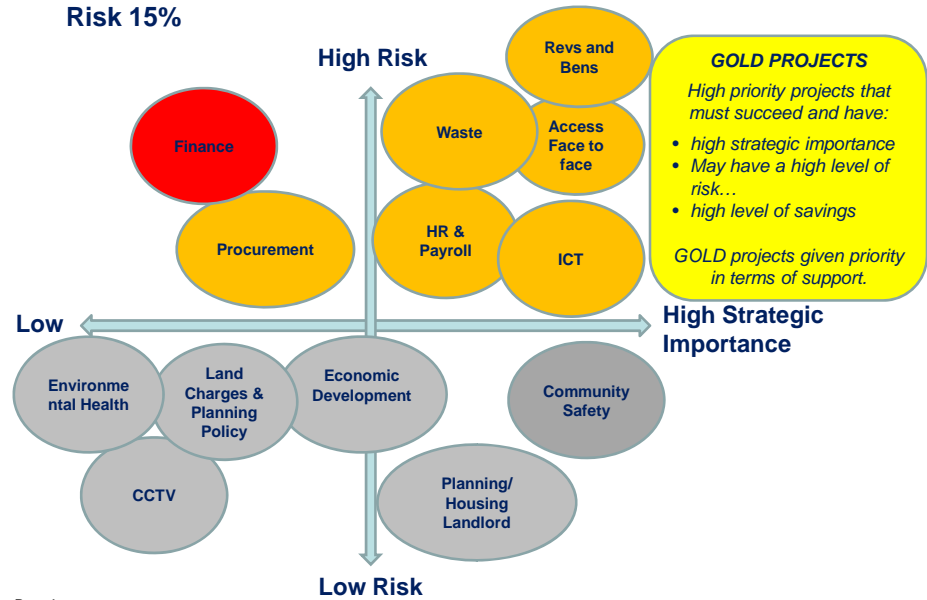
2. We are proposing that the overarching strategy is for the public sector in North Yorkshire and York to embrace opportunities to work together more closely to drive out savings and make strategic step changes. The Strategic framework encompasses:
 - (a) A partnership approach based on **clusters** of councils initially, with opportunities for other public sector organisations to work with the appropriate cluster as they choose. The configuration of clusters could vary depending on the service and would include:
 - (a) One cluster covering all of North Yorkshire including York
 - (b) Two clusters covering (a) North Yorkshire and (b) York
 - (c) Four clusters covering (a) Hambleton & Richmondshire (b) Craven, Selby, Harrogate (c) Ryedale and Scarborough (d) York. NYCC would work with the four clusters as necessary.
 - (d) A cluster based on willing partners
 - (b) A focus on **priority services**.
 - (c) A basis of partnership working founded on “**a coalition of the willing**” with scope for individual partners to join at a later date.
 - (d) **A commitment to action** and agreement to move forward within a framework of principals for particular services following which detailed work, including the preferred delivery models would emerge.

3. Jacobs have identified a significant opportunity to develop shared services in areas which were not explored in the initial four business cases but which, in their judgement, are central to the achievement of shared services (including the four business cases). These include
 - the “enabling services” of ICT and procurement;
 - “back office” services in HR, internal audit and legal; and
 - Broader service areas including Environmental services (e.g. depot rationalisation) and Asset Management (the subject of a separate RIEP funded study).

4. In exploring the strategy we contacted all public sector organisations in the sub region who are part of the Future Collaborations work (i.e. councils, health, police, fire, national parks) and

assessed their appetite (high, medium or low) for sharing services. The responses, which excluded health, indicated that there was a strong appetite for fully shared services and more collaboration in general particularly for Finance, HR, ICT, Land Charges, Payroll, Planning Policy, Corporate Policy and Performance, Procurement, Community Safety, Environmental Health, Waste (and trade waste), Emergency Planning and Strategic Housing Landlord functions. These have been scored according to their potential ease of implementation and the yield of efficiencies.

NY&Y Scoring - Impact 35% Savings 35% Deliverability 15% Risk 15%



The Access Business Case

- 1) The remit of this business case was widened by the Chief Executives in May to include the sub region and not just Harrogate. As a result, although we have reached some conclusions, our ability to fully develop these has been limited because of the time constraints. There is, however, a defined way forward emerging and we are confident that, with the support of a number – not necessarily all – councils we can commence work on this almost immediately.
- 2) The business case has shown the following which relates to councils' web, contact centre, reception/face-to-face services:
 - At total of £10.4m spent on “customer access” with 195 staff in total broken down as
 - Approx 12 staff employed on website support with total service costs of approx £664,000
 - 184 staff on reception/contact centre functions with total service costs of £9.7m
- 3) The business case indicates that there is a strong appetite for sharing and savings can be made in
 - c) Sharing web technology and having a combined Content Management System (which supports our websites) supported by a shared technical team.
 - d) Shared telephony/contact centre technology supported by shared staffing to deal with customer enquiries.
- 4) In implementing a shared approach the following should be noted:
 - a. With a shared approach to the web, each council/partner will have the facility of a localised front page and the ability to adapt shared content to reflect local circumstances.
 - b. Councils may have the option to retain their existing websites whilst connecting to the shared content management system or moving to a shared generic content management system. The preferred option, along with the investment costs will be determined if support is given to move forward on this.
 - c. Participating Councils will move to the same contact centre technology which will release some savings. Greater savings come through routing calls across the participating councils which in turn requires shared staff/teams but this does not necessitate staff all being in the same location.
 - d. Although technology and staffing are focussed on here, the success of this project will require a new way of working across the participating councils and will therefore, be about much more than just joining up the IT we use.
 - e. It is recognised that the Connect Partnership has been established to provide joint technology solutions for councils and any commitment to move forward on the Access business case will be require the active involvement of that partnership (who have been fully consulted and are keen to do so).
- 5) Jacobs have indicated that the savings could be in the region of £300k net per annum (which equates to 54% or about 7 less full time equivalent staff) for all councils sharing the same

Content Management System. If all councils share the same telephony approach, £950k net savings per annum (29%, 20 less FTE staff) could be achieved.

- 6) However, some councils have indicated their preference to not pursue this at this stage so an alternative scenario presented by Jacobs is to proceed with all councils sharing the web/CMS technology but only 5 district councils (Hambleton, Richmondshire, Craven, Ryedale, Selby) committing to the shared telephony approach. (NYCC share telephony with Craven and so would be able to join at a later date). This would still provide the £300k per annum saving for the web and approx. £200k (32%, 4 less FTE staff) for telephony.
- 7) We are recommending a shared service which involves NYCC, Selby, Richmondshire and Hambleton committing to take this forward initially. Calculations of the savings which could be available based on this cluster have yet to be undertaken.
- 8) The sharing of Customer Relationship Management technology will be explored at a future date.

Revenues and Benefits

- 1) The Revenues & Benefits (R&B) business case has identified that the current cost of the service is £8.997m and 347 staff are employed in the service. Councils have indicated a strong appetite for sharing this service.
- 2) In compiling the R&B business case we have had regard to the forthcoming changes around Universal Credit and if sharing is implemented a phased approach which reflects the milestones around the introduction of Universal Credit whilst providing the opportunity for savings would be pursued. The possible scenarios under a shared services partnership up to, and beyond, 2017 (when all the functions may be removed from councils) are:

	Up to 2013	2013 to 2017	2017 onwards
Councils remain as sole provider	<p>Back office functions shared, starting with 3 councils initially leading up to 8 sharing</p> <p>Face to face remains within each district/city</p>	<p>Consolidate other opportunities for sharing within sub region.</p> <p>Seek opportunities to trade outside of the sub region.</p>	Consolidation (and further growth is agreed)
Councils responsible for face to face only from 2017	<p>Back office functions shared, starting with 3 councils initially.</p> <p>Face to face remains within each district/city</p>	Consolidate sharing within sub region.	Sub regional back office hub transfers to new provider
DWP (or other) as sole provider	n/a	n/a	All functions (back office and face to face) transfer to DWP

- 3) Regardless of the future changes with Universal Credit, the business case indicates that there could be scope to implement some sharing of the R&B function before 2017. Features of a shared service include:
 - a) Shared back office processing centre (accommodation needs to be assessed) with integrated phone (script aided from front to “middle office”) and web offer. Support with local face to face services
 - b) The back office would hold and manage a central diary appointments system in order to deploy officers of the shared service. Central online filing and customer information is also held as customer intelligence in the core back office transaction team and is shared via document management systems
 - c) Training of non-benefits staff to handle the less complicated front of house offer with some online script intranet.
 - d) Recognition of the strong links with the Access to services business case.

- 4) The Business Case indicates that savings of up to 40% (£3.6m) may be available up to 2017 if all councils share. Investment in technology in particular may be needed and offset some of the savings, however all councils currently use the same system (Northgate).
- 5) Jacobs have explored an option whereby Richmondshire, Hambleton, Craven, Selby and Ryedale (the smaller districts) share. This could provide savings of £1.68m (38%) and involves 35 less staff.
- 6) The changes to council tax benefit and the emphasis on shared/joined up approaches may be relevant here.
- 7) The councils offer different levels of service and perform differently. In taking forward a shared approach these will need to be explored further so that the approach to performance and service standards can be better understood.
- 8) Sharing may enable the creation of a sub regional hub with possible opportunities for development including attracting new business (either revenues and benefits from other councils or other similar exchequer services from a range of organisations).
- 9) The commitment to, and implementation of a shared Revenues and Benefits service is complicated by the changes around Universal Credit and this means that there are a range of issues which have not yet been clarified. The key issue is whether councils will continue to have a role beyond 2017 as the DWP has not given a final view on this. We do know that the role of councils will change roles from 2013 and this presents a time barrier – any decision to share services before 2013 needs to be taken in the knowledge that there are real gains to be made before 2013 (and up to 2017) and that these gains offset the effort and impact that implementing the changes will have. At this stage we do not have this knowledge and further work is needed to ensure a robust business case is in place.

Economic Development

- 1) Based on information gathered the costs of the Economic Development service across NY & Y are £6.6m, with £3.0m income and 54 staff (caution needs to be expressed here as the data is constantly changing as individual councils take and implement local decisions regarding the future shape of their economic development service).
- 2) Jacobs have explored 4 options:
 - a) status quo / no change i.e. continue with a 2 tiered approach. This does not deliver any savings
 - b) Regional statistics services provided by NYCC plus more co-ordinated approach to ED based on activity.
 - c) Building on (b) with a clustered shared service model with minimal savings.
 - d) Building on (b) with the strategic direction provided through the LEP and the support team as a hub. Localised delivery would be through community facing teams (spokes) but with support services provided through the “hub”. This could provide savings of £92k per annum (3 less staff).
- 3) Jacobs have recommended option (d). However, as mentioned above caution has to be expressed due to the changing nature of this service in councils, particularly over recent months. This means that the data on which Jacobs have based their recommendations is likely to be out of date – the deliverability of the savings, therefore is questionable. As a result option (d) is not recommended as the preferred way forward at this time.
- 4) There is scope however, to seek to increase the resilience, ability and capacity of our collective Economic Development resource and on this basis it is recommended that we
 - a) Agree to share a statistics service using the data provided by the NYCC/LEP support team
 - b) build on the new LEP support team which is providing strategic input
 - c) retain within each council local delivery arrangements
 - d) further explore how the collective resources will work together to deliver the LEP strategic aims whilst supporting local delivery.

CCTV

- 1) The CCTV service across York and North Yorkshire comprises of 24.5 Staff, 305 cameras, costs £1.2m and generates income of £0.5m. When asked councils expressed a low level of appetite for sharing which reflects that individual councils have different drivers and needs with regards to CCTV. Jacobs identified two options for sharing
 - a) **Low level** sharing – this involves the establishment of a sub regional user group to jointly develop practises and protocols, and share training and procurement (equipment, repairs, maintenance) which releases potential cumulative savings of £103k by 2016/17.
 - b) **High level** sharing – this suggests there is viability for a single service which could cover Harrogate, Selby, Hambleton & York (Scarborough, Richmondshire & Ryedale would continue with their existing individual arrangements) and utilises NYNET. This could potentially release net cumulative savings of £391k by 2016/17 (subject to detailed assessments of asset condition and network connectivity which will involve some investment).
- 2) In identifying the high level of sharing, Jacobs have attempted to initiate explorations around the rationalisation of the provision of CCTV across the sub region.
- 3) An alternative option to shared services could include the councils with larger CCTV services (York, Harrogate, Scarborough) providing a service for the smaller councils through a contract arrangement which may enable some efficiencies to be delivered to the smaller councils. (Richmondshire would be excluded from this as it has a favourable arrangement with the MOD as would Ryedale as NY Police contribute to the service).

PAPER B – ASSET MANAGEMENT

Future Collaboration Group

Local Government North Yorkshire and York

16 September 2011

Introduction

1. This report is structured in two parts:
 - a.) Part 1 provides background to the project and recommendations to take forward.
 - b.) Part 2 provides more detailed information about aspects of the project including achievements and issues that need to be considered further as work progresses.

Part 1

Background to the Project

2. Asset Management was agreed as a theme for further potential collaboration by Leaders in April 2010 - at the same time as Shared Services (as per Paper A). RIEP funding was subsequently secured to support this area of work (circa £250K). Activity was therefore worked up and fell broadly into 2 areas: -
 - i) High level identification of opportunities – to explore such issues as flexible working; sharing of premises; collaboration on support services such as FM; collaborative disposal opportunities; and alternative vehicles for asset ownership.
 - ii) Some specific case studies where there was a potential to share learning whilst delivering some real tangible benefits in the shorter term. These included
 - Review of Economic Development Assets
 - Public Sector Rationalisation opportunities in Malton
 - Community ownership in Knaresborough
 - Shared Council and Community Office accommodation in Richmond
 - York Asset Board

Further detail on each of these areas is included as an **Appendix** to this Paper.

3. Following RIEP funding, Jacobs UK were appointed in February 2011 to provide specialist input into some of the specific case studies and to provide the necessary

strategic support and challenge on the high level opportunities work. Preliminary reports have been produced on each of the areas but, as is detailed further in this report, work remains ongoing. Whilst it is not possible to attract any further RIEP funding, resource remains available to complete elements of work carried out to date and then to consider further specific areas of work.

Recommendations

4. This section sets out recommendations for further progress.
5. High Level Opportunities
 - i) Jacobs have not received full sets of property data from all partners. It has been agreed that Jacobs will do a detailed analysis based upon all that is received by the end of September 2011. It is anticipated that this will provide a high level analysis of opportunity.
 - ii) Either as a result from the work above in i) or from partner discussions it should be possible to identify public sector property “hotspots”. Such hotspots represent areas of greatest opportunity. Northallerton has been identified as worthy of further consideration and others are invited for further exploration.
 - iii) Any other areas of property related collaboration. (It should be noted that we do not need to be constrained by RIEP conditions).
6. Economic Development Assets
 - i) It is anticipated that Jacobs will conclude their review of Hambleton and Richmondshire in the next few weeks. Hambleton and Richmondshire will then be able to progress as appropriate.
 - ii) Having established an approach on Hambleton and Richmondshire it will then be possible for others to adopt this if of interest. Expressions of interest will therefore be required in the future given that this is likely to require further resource.
7. Public Sector Rationalisation opportunities in Malton

Following detailed work by Jacobs there is a need for partners to determine the extent to which it is possible to take forward the potential sharing of assets and the development potential that this may release. A meeting of all stakeholders has been arranged for 4 October.
8. Community ownership in Knaresborough

This project has now been completed. The learning is available for others to access as they wish.
9. Shared Council and Community Office accommodation in Richmond

Work remains on-going with this project at a detailed level.

Part 2

Achievements & Issues Arising

10. Jacobs have managed to hold in-depth discussions with most sub-regional partners. This has provided the basis for further discussions and the identification of opportunities. It needs to be borne in mind that there is limited scope for “quick-wins” when dealing with assets. However, the following areas are examples of achievement as a result of the collaboration:-
 - Partner asset data has been mapped and is available for all to see. We are therefore in compliance with the spirit (if not the precise technical aspects) of DCLG’s transparency requirement on public sector assets.
 - Significant progress has been made on a number of projects where there was a need for resource and specialism to carry out a joint assessment (eg Malton, Knaresborough).
 - Frameworks have been established which can be replicated across the sub-region (eg Economic Assets).
 - Further opportunities have been identified and discussions are planned (eg “hotspots” referred to in paragraph 5 ii).
11. Notwithstanding the above, there have been difficulties. Capacity has clearly been an issue as witnessed by the time it has taken to pull together mapping and more detailed asset data. This, it is suggested, is further evidence that a collaborative approach should be able to assist where there are capacity issues. In addition, not all partners have engaged as fully as was anticipated at the outset – NHHYY in particular were keen to explore asset management opportunities but the loss of key personnel meant that early progress was not sustained.
12. The Recommendations in this report recognise that there is value in working collectively at the strategic level but that the sharing of physical assets will be more tightly bound by geography. There is a strong desire from some partners to pursue those opportunities already identified through this initiative whilst other examples of property collaboration are already either in place or in the process of being worked up (eg Joint Access Centres; Belle Vue Square). It is intended that learning is shared and further ideas and opportunities for sharing etc are welcomed.

Case Study

High Level identification of opportunities

Description

As outlined in the PID, it is intended that specialist support is used in order to identify high level opportunities which are additional to those already identified by partners. It is not possible to identify these comprehensively as yet given that the work is not yet complete. However, a number of areas that are likely to emerge include –

- Flexibility of work spaces in order to maximise occupancy thereby reducing necessary office space.
- Reviewing possible sharing of premises in specific localities.
- Extent to which property support services such as facilities management can be managed on a more collective basis.
- Identification of surplus properties and best ways of achieving disposal for maximum value for partners.
- Alternative vehicles for asset ownership.

There are some specific examples which Jacobs UK are requested to review at an early stage. These include the potential for shared depot facilities between Hambleton, Richmondshire and possibly the County Council. Another case study is likely to include Harrogate as part of their review of their overall estate and this will also draw in other public sector partners who require a presence in Harrogate.

Support required

Specialist asset management expertise to work alongside in-house officers as identified in the PID.

Case Study

Review of Economic Development Assets

Description

Historically councils have sought to stimulate economic activity in a number of ways. One of these has been to take a stake in ownership of economic development workspace units. Whilst this varies across the sub region, the current challenging financial and economic environment means that traditional “ownership” has been brought into question.

The intention of this case study is to review alternative approaches whilst, at the same time, attempting to identify if there is a single best approach which can be adopted across the whole of the sub region.

Support required

Specialist support is required in order to review this area. Areas that will be reviewed include developing an efficient service; maximising income from property portfolio; and seeking to optimise occupancy to support employment opportunities, recognising the economic drivers for the wider economy as well as public sector costs.

The review is expected to take a holistic approach, assessing / drawing conclusions on the following –

- The current management arrangements in place and areas / ideas for improvement across the sub region.
- The business case for retention or otherwise of individual units, assessed by type, use, location, profitability and any other relevant information such as obligations to external funders.
- Ways of which the return from the portfolios can be maximised.

Case Study

Public Sector Rationalisation in Malton

Description

There is the potential for a substantial public sector joint development opportunity in Malton involving 5 public sector organisations: NYCC, Ryedale DC, NHS, Police and Fire. The project could provide housing (including market, affordable and extra-care); leisure, health and shared public offices. There are opportunities to join up services in the town to offer both improved access for customers and significant efficiency savings through co-location of services; shared space/facilities; reduced asset related costs.

The sites also offer opportunities to help deliver some of the new infrastructure requirements for the town generated by the LDF and the identification of Malton as the primary town for Ryedale in terms of targeted housing, retail and employment allocations.

Key Information:

- There are 6 public sector sites adjacent to each other on Old Malton Road in Malton: 2 county primary schools; NHS Ambulance station, NYCC residential care home, Ryedale DC HQ, police houses and the police station. The fire service is located elsewhere in the town on a site with some access issues.
- The sites fall within the existing development limits of the town.
- Initial and informal (not public) discussions have taken place with NYCC in relation to Extra Care provision and the potential to develop sites in tandem/partnership with a view to understanding what could be possible. This site has been submitted to LDF for consideration.
- RDC has submitted its HQ site for consideration – this is currently covenanted for housing or local government uses only. Other covenants may exist.
- Potential to invest in a new edge of town bespoke blue light services fast response type centre (vehicles). This could include fire, ambulance service and police.
- The ability to assemble all sites into one significant development package offers increased potential for developer contributions/additional public benefits being delivered.
- The sites are opposite extensive playing fields which are not developable however there may be opportunities for the primary schools to utilise these playing fields thus allowing some expansion or development on the school sites.

Support Required

In order to consider the future options the primary consultancy requirement is for expert facilitation of a meeting of all parties to discuss 'the art of the possible'. This will involve:

- Assisting in the identification of options using expertise and asset management knowledge.
- Ensuring that all parties are present for an initial meeting and represented at the right level. Providing structure to those discussions and the right environment where the relevant bodies can explore opportunities.
- Agreeing any actions to take place following the meeting for the whole group or potentially smaller groupings of attendees.

Case Study

Community Ownership in Knaresborough

Description

A series of community services are provided in Knaresborough from the Chain Lane Community Centre. This building, however, is owned by Leeds Metropolitan University who have expressed a wish to divest themselves of the site. Whilst community services are valuable from a public sector perspective, there is little, if any, capital sums available in order to acquire the site. In addition, there is a very active community presence in Knaresborough and community organisations have identified additional potential community uses for the site. The community has therefore expressed a preference for community ownership of the site and is therefore seeking funding in order to acquire the site.

Both the County Council and Harrogate Borough Council are entirely supportive of the project and are seeking to provide in-kind support wherever possible. Issues of on-going service delivery, planning and sustainability of the site are all areas that require further work.

Support required

Specialist support is required by the community organisation who is leading on this initiative. Such support will ensure that there is a robust business plan; wider community uses are identified and opportunities pursued; community planning issues are addressed; cash flow addressed; on-going liabilities considered etc.

The support in this case will be to fund the community organisation in order to carry out such a review and not for the councils to do themselves. This would clearly be contrary to the concept of community ownership, in line with Big Society. A condition would be, however, that a report is brought forward and available for wider circulation which captures this development as a key case study.

This is seen as an ideal opportunity to explore community ownership and community delivery of services in a very practical and timely manner.

Case Study

Shared Council and Community Office Accommodation in Richmond

Description

A new Secondary School has been built in Richmond and the previous site is therefore surplus to requirements. Discussions have been initiated amongst partners and with the voluntary and community sector in order to see what solution can be found.

Hambleton and Richmondshire District Council are engaged in a detailed programme to develop shared services. Implementing the shared services requires a review of office accommodation in Richmondshire. The office accommodation in Richmondshire is currently in urgent need of modernisation to improve capacity, access and energy efficiency. In addition, the voluntary and community sector within Richmondshire have similar difficulties relating to accommodation. An opportunity therefore exists to establish a joint office accommodation base for councils and the voluntary and community sector. Providing this accommodation is fit for purpose, this will help to rationalise existing asset bases and provide a much more sustainable accommodation for the future.

Realisation of this project will also allow asset disposal existing properties.

Please note that there is a fundamental difference between this project and that of Chain Lane in Knaresborough. In this case, it is fully anticipated that the asset will remain within Local Authority ownership as this is likely to be the principal client. Voluntary and community sector presence, will, however, allow this to become more of a "one stop shop".

Support required

A detailed study to assist the Councils and community sector in developing an efficient and effective office accommodation solution.

The study will assess and draw conclusions on the following –

- The extent of the renovation possible at the lower school site
- The improvements to access required
- The energy efficiency benefits that may be achievable through the relocation
- Options for the combined use of the facility with community groups
- Wider partnership opportunities

Case Study

City of York Asset Board

Description

The Asset Board is a high level group from all public sector organisations which occupy property within the City of York Council area. Its purpose is to ensure there is an integrated approach to asset management, aligned with the organisations priorities and the delivery of Total Place. It will decide on the strategy to achieve its purpose and will direct the key projects, both existing and in the future, which will enable the outcomes of the strategy to be delivered.

The Board will focus on 'what' the Council and its partners want to do with property, 'why' and 'when' it wants to do it, and performance in achieving the outcomes of their Corporate Asset Management Plans (CAMP).

The Asset Board will focus on:

- What the Council and its partners want to achieve with property in meeting their corporate priorities
- Why and when they want to do it
- Providing sufficient resources to achieve the outcomes and ensuring that they are being deployed to best advantage
- Shaping capital programmes to help deliver the desired outcomes
- Reviewing overall performance in achieving these outcomes
- Ensuring elected members and / or trustees views are taken into account
- Significant issues impacting on asset management from various sources – e.g. Total Place agenda, change in legislation, initiatives from central government such as Big Society, Local Development Framework, funding opportunities
- Directing the work for the Corporate Asset Management Group (CAMG).

Support Required

Capacity and support to bring together partners and to progress specific priorities of the Asset Board.

PAPER C – FLEET MANAGEMENT

Local Government North Yorkshire and York

16 September 2011

Purpose of report

1. To provide an update on the potential for joint working in the area of Fleet Management.

Background

2. For the purposes of this report “Fleet Management” comprises the procurement, management and maintenance of vehicles owned or operated by councils and the procurement of fuel associated with those vehicles.
3. In 2008, as part of a RIEP funded project, JMP consultants were appointed to look at a number of areas of Transport Efficiency including Fleet Transport. Their report was produced in February 2009. The key objectives of that report were to:
 - i. Identify the activities of each authority in relation to fleet management.
 - ii. Identify all vehicles owned and operated by the authorities, with a view to establishing a comprehensive database.
 - iii. Understand the different procedure and practices employed by authorities.
 - iv. Consider the potential benefits from the procurement of vehicles, fuel, and maintenance.

Findings

4. The consultants engaged with staff from each of the local authorities to compile information relating to the objectives as described above. The following table summarises the total fleet for each authority at the time of the JMP report.

Local Authority	Total Vehicles
Craven DC	24
Hambleton DC	36
Harrogate BC	44
Richmondshire DC	67
Ryedale DC	40
Scarborough BC	195
Selby DC	22
NYCC	404
Total	832

In the case of the District/Borough Councils and with the exception of Scarborough at least 50% of the vehicles are used for refuse and recycling work.

In relation to the NYCC fleet over 50% are cars and light vans and a further 25% are minibuses. Scarborough Borough Councils Fleet includes vehicles used by their DLO which is why there are significantly more vehicles.

5. There were four potential areas where further co-operation was considered:-

- i) Vehicle procurement - the consultants concluded that the numbers of any particular type of vehicle to be procured were not significant enough to be competitive with regional and national frameworks.
- ii) Fuel Procurement - JMP identified a range of different arrangements across the authorities and drew attention to the arrangements available through YPO and other OGC frameworks which offer low costs. As part of preparing to renew its Highways Maintenance contract NYCC asked NPG to review the options for fuel purchase. The County Council has decided to maintain its current arrangements as part of the new contract and other Councils are able to use this same arrangement should they wish.
- iii) Vehicle Maintenance - a variety of local authority maintenance arrangements exist across the county. While there is little benefit in borough/district councils sharing facilities there is scope for the County Council to make use of facilities provided by borough/district councils. Our present vehicle maintenance arrangements are tied in to the Highways Maintenance Contract. As part of the renewal of that contract the County Council has reserved its position to adopt a more flexible approach from 2013. This arrangement allows the County Council to potentially reduce its vehicle maintenance workload and look to work with other Councils who may have surplus capacity.
- iv) Sharing Best Practice – whilst the County Council attends a regional meeting of Fleet Management Officers, there is no similar arrangement at County / sub regional level. Officers have previously found benefit from such an approach and it is thought that a York and North Yorkshire Fleet Management Officers Group could help to share best practice. This would also provide a forum where collaborative opportunities (e.g. vehicle maintenance capacity) could be explored without further disproportionate governance arrangements.

6. The JMP report concluded that “In the first instance, we suggest this is achieved through the establishment of a fleet management forum, where all fleet managers would meet on a regular basis to share knowledge and good practice and consider areas of joint working (e.g. training, fleet systems and procurement). Whilst we consider better joint working between authorities to be most important, the forum could also engage with fleet managers of other organisations such as the police”. However the report did conclude that this was more likely to be built upon the development of close working relationships between Councils – “Over time, joint working may lead to the establishment of a single fleet management unit. Regardless of the organisational structure that evolves, the key benefit of joint working will be to remove duplicated activity and to free up capacity to enable developments to be taken forward and economies of scale to be achieved”.

7. In determining the scale of opportunity for close fleet collaboration it is important to compare with existing framework procurement contracts. JMP identified that such contracts could help to ensure cost effectiveness and officers from across the County have shared knowledge on contracts on that basis.

Conclusion and Recommendation

8. At this stage there are not clear “quick wins” in terms of collaborative fleet opportunities. It is therefore recommended that a York and North Yorkshire Fleet Managers Group be created to share best practice and to explore opportunities as they arise.