

Report of Chief Executive

Report to Executive Board

Date: 17 July 2013

Subject: West Yorkshire Joint Services

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report summarises the latest position on a review of staffing arrangements at West Yorkshire Joint Services (WYJS)
2. Following a desktop review into the management and organisational structure of WYJS, the Leaders of the five West Yorkshire Authorities considered the initial proposals and clarified that they would wish WYJS to pursue savings of approximately £1 million and to replace the existing Chief Officer post with a Business Manager post.
3. However, Leaders emphasised that this would be subject to:
 - The WYJS Committee consideration of the review's findings and Leaders subsequent recommendations;
 - Each of the five local authorities' Cabinets / Executives receiving a report outlining the key implications of pursuing the £1 million savings target
4. This report attempts to highlight some of those risks as well as outlining the proposed next steps.

Recommendations

1. It is recommended that the Executive:

- Notes the contents of this report, paying particular attention to the outcome of the WYJS Review and the proposed next steps
- Raises any specific concerns with the Council Leader or the other three Leeds Council representatives on the WYJS Committee (Cllr Peter Harrand, Cllr Ronald Grahame and Cllr Bill Urry)
- Considers the value of receiving further update reports on the progression of the WYJS Review

1 Purpose of this report

- 1.1 This report provides the Executive with information on the West Yorkshire Leaders' response to the recent review of West Yorkshire Joint Services (WYJS) and attempts to highlight the risks associated with pursuing the leaders recommended £1 million savings target.

2 Background information

- 2.1 At a meeting of the Leaders the West Yorkshire Authorities on 11 October 2012, the Leaders requested that a review of the WYJS management structure be undertaken given the pressures on local government finances. It was agreed that this Review would be led by the Bradford Council Chief Executive, with support from the Association of West Yorkshire Authorities and Wakefield Council, as the employing authority. The decision to review WYJS was also made in the context of the potential establishment of a West Yorkshire Combined Authority and the possible incorporation of a Trading Company within it at some point in the future.
- 2.2 Bradford Council's Human Resources service assisted with the review and officers were provided with detailed information on organisational structures, management roles and financial information relating to all service areas. The team also had the opportunity to speak to senior officers and WYJS Committee Members about the various statutory and commercial services provided. The review team concentrated on tiers of management and the ratio of managers to staff.
- 2.3 The proposals listed below were included in the review team report which was presented to the Leaders on 11 April 2013. However, the report did stress that these options were predicated on a theoretical assessment of the current structure rather than on a detailed knowledge of the services provided by WYJS.
- Removal of 10 – 20 management posts creating annual savings of up to £1m
 - Review of the salaries of senior officers to reflect same job evaluation process which has been initiated at the employing authority
 - Replacement of the 'Chief Officer' post with an externally appointed 'Business Manager' in the short term to assess the feasibility of the review findings and progress where appropriate
 - Review of the purpose and nature of the 'Chief Executive' post in the medium term to reflect any changes to the organisation and its potential future direction

- Support to be provided by the employing authority as appropriate, i.e. preparation of a new organisational structure, facilitating consultation with trade unions and staff and so forth.

2.4 In response to the proposals outlined above, the West Yorkshire Leaders recommended that savings of approximately £1m be pursued. However, the West Yorkshire Leaders emphasised that work to achieve the £1m savings target should not be progressed prior to :

- The WYJS Committee's consideration of the review's findings and Leaders subsequent recommendations.
- Each of the five local authorities' Cabinets / Executives receiving a report outlining the key implications of pursuing the £1 million savings target

2.5 The WYJS Committee met on June 13th to consider the recommendations that a more detailed review be undertaken and that the Chief Officer be replaced with an interim Business Manager following the post holder's retirement in June 2013. Both recommendations were endorsed by the WYJS Committee on the basis of the need to move forward quickly with the detailed review and to secure fresh insight into the future direction and shape of the organisation. The recruitment process for the interim Business Manager will be overseen by the WYJS Appointments Panel.

3 Main issues

3.1 The Executive is asked to note the recommendations that have been made by the West Yorkshire Leaders (see 2.4) and that are due to be considered by the WYJS Committee on June 13th. The recommendations have been made in the context of:

- The current financial challenges facing local government
- The potential establishment of a Combined Authority and the need to ensure the future direction and shape of WYJS reflects, supports, and is able to maximise the opportunities associated with, the new context.

3.2 WYJS have already produced a detailed analysis of the potential risks that they perceive to be associated with implementing the Leaders suggested £1 million savings target.

3.3 It will be for the external Business Manager to assess the feasibility of the review's findings via a, thorough, well-informed and balanced assessment of the potential risks and opportunities, financial and operational. The risk analysis referred to above will act as a useful starting point in this regard but will clearly require detailed consideration and verification by the interim Business Manager once appointed.

3.4 The results of a more detailed review will need to be reported to the WYJS Committee, and the related recommendations formally endorsed, prior to the implementation of any further changes to WYJS staffing or service delivery arrangements.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 No formal consultation or engagement has taken place to date.
- 4.1.2 Full consultation with the relevant trade unions, and staff, will be initiated when appropriate and during the development of any new staffing structures.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Any proposed changes will be made in accordance with the WYJS Equal Opportunities Policy

4.3 Council policies and City Priorities

- 4.3.1 Not applicable

4.4 Resources and value for money

- 4.4.1 The purpose of the continuing review is to identify potential savings of up to £1 million and full assessment of the financial implications of any changes will be undertaken, and reported to WYJS Committee, before any changes are implemented

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Legal advice will be taken at all relevant stages from the Service Director for Legal and Governance at Wakefield as part of their role as the Support Services Authority.

4.6 Risk Management

- 4.6.1 WYJS have carried out an initial assessment of the potential strategic and operational risks associated with implementing the proposed £1 million savings target. If appointed, the external business manager will need to take full account of any risks before making further recommendations to the WYJS Committee and, if necessary, the West Yorkshire Leaders

5 Conclusions

- 5.1 Cabinet Members are asked to note the content of this report and to raise any concerns or queries with their WYJS Committee Members to ensure the on-going review of WYJS reflects the expectations of all five West Yorkshire Councils and their Members.

6 Recommendations

- 6.1 It is recommended that the Executive Board:
 - Notes the contents of this report, paying particular attention to the outcome of the WYJS Review and the proposed next steps

- Raises any specific concerns with the Council Leader or the other three Leeds City Council representatives on the WYJS Committee (Cllr Peter Harrand, Cllr Ronald Grahame and Cllr Bill Urry)
- Considers the value of receiving further update reports on the progression of the WYJS Review

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.