

## Appendix 2: How typical decisions will be taken, and how responsibilities will work in the proposed governance model

1. The recommendation is that Haringey and Islington Councils delegate all operational and day-to-day management of their Digital and ICT functions to Camden as 'host' authority under s101 of the Local Government Act 1972.

### What the recommendation means

2. The s101 delegation will:
  - 'trigger' a transfer of staff from Haringey and Islington to Camden. The purpose of TUPE is to protect employees if their employer changes.
  - transfer day-to-day management of the service, including operational decisions about the service, to Camden where those decisions will be taken within Camden's governance.
  - introduce inter-authority agreements and service descriptions that set out the roles and responsibilities of the parties and Joint Committee.
3. The Joint Committee will approve business plans and strategies, monitoring high-level progress against the business plans and financial budgets.
4. The Joint Committee will take high-value procurement decisions, with other matters delegated to the Chief Digital and Information Officer under the general direction of an officer Strategy and Portfolio Management Board. The Strategy and Portfolio Management Board will comprise the directors of finance and directors of transformation for the Councils.
  - High-value decisions will be decisions exceeding £2m for any one borough, or exceeding £6m for all three boroughs. All non-administrative decisions at the Joint Committee are likely key decisions and are transparent/ can be called in.
  - Decisions delegated to the CDIO (ie where spend falls below £2m for one borough or below £6m for all three boroughs) will likely not be considered key decisions. The Joint Committee retains the right to review decisions within its terms of reference or referred to it by the Strategic Portfolio Management Board.
5. The level of delegation proposed impacts the number of contract renewals that the Joint Committee decide on, and the number of reports that the Joint Committee will receive. A £6m total contract value (TCV) delegation for spend across the three councils is the same as a £500k annual spend per council ( $£500k \times 4 \text{ years} = £2m \times 3 \text{ councils} = £6m$ ).

The table below shows the approximate number of contract renewals (not new initiatives) that would be progressed through the Joint Committee under this level of delegation. Each contract would need 2 reports to the Joint Committee, a

procurement strategy report and a contract award report. Based on there being 3 Joint Committee meetings per year this would mean a minimum of 4 months between agreement of the procurement strategy and contract award (unless additional Joint Committee meetings were arranged).

Annual spend/ council	TCV (3 councils, 4 years)	2017/18 estimated	
		no. of contracts	no. of reports
£125,000	£1,500,000	36	72
£167,000	£2,000,000	30	60
£300,000	£3,600,000	14	28
£500,000	£6,000,000	4	8

6. The three Councils will each need to agree the powers that are to be delegated to the Joint Committee.
7. The schemes of delegation which apply internally within each Council regarding the exercise of decision-making power by committees and officers within that Council **do not** apply to the delegation of power to the Joint Committee.
8. These changes can be achieved without any constitution changes (unless, exceptionally, a constitution has already made express provision which would restrict the power of the executive to “delegate” functions to the Joint Committee or the powers of the Joint Committee to exercise those functions).

### An example of what this how this might work in practice

9. Where the Councils’ systems in an area are all approaching the end of their contracts there are 2 scenarios, the Councils can:
  - individually renew their contracts, maintaining three separate systems and associated support etc.
  - collectively specify and introduce a common shared system, with associated support etc.
10. The business case for the shared service, and steer from the Joint Committee, has been to look for opportunities to work together – sharing learning and potentially systems etc. to improve services while reducing costs.
11. Where it is decided not to share systems this will detract from the savings envisaged from the shared service, and would most likely attract additional costs.
12. To enable alignment, we would look to make arrangements to co-terminate existing arrangements across the Councils as contracts come up for renewal. In parallel we would bring together a working group of specialists from the service area(s) and Shared Digital to assess changes in the service – and likely future changes as well as how digital and technology could best support the services’ needs. That may result in a single specification and single solution, or multiple specifications and solutions.

13. If the conclusion of the exercise (ie single specification or multiple solutions) was agreed by the working group and key stakeholders then, subject to the anticipated level of the decision, this would either fall within the delegations of the CDIO (less than £2m for a single borough, or less than £6m for all three) or need to be referred to the Joint Committee.
14. If the conclusion of the exercise was not agreed by the working group and key stakeholders, then the disagreement would need to be escalated for resolution. Ultimately if agreement could not be reached then the Councils would need to proceed individually, accepting the additional costs and lost savings of this.

**ENDS**