



Shared Services Joint Committee Wednesday 26th October 2022

Report Title	IAA Variation Notice Learning and Development Disaggregation – Phase 2
Report Author	Marie Devlin-Hogg, Assistant Director of Human Resources, NNC, marie.devlin-hogg@northnorthants.gov.uk Alison Golding, Assistant Director of Human Resources, WNC, alison.golding@westnorthants.gov.uk
Executive Member	WNC Cllr Mike Hallam, Portfolio Holder for HR & Corporate Services NNC Cllr Jason Smithers, Leader of the Council and Portfolio Member for Governance and HR.

Key Decision	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

Contributors/Checkers/Approvers

Approver	Officer Name	Date Officer Approved Report
North MO West MO	Adele Wylie Catherine Whitehead	21 st September 2022
North S151 West S151	Janice Gotts Martin Henry	21 st September 2022

List of Appendices

None

1. Purpose of Report

- 1.1 To seek approval to disaggregate the Learning and Development (L&D) functions listed below, by 31 March 2023:
- Business Support
 - Learning Management System (online learning)

2. Executive Summary

- 2.1 On 24th September 2020, the North Northamptonshire Shadow Executive Committee approved and adopted a Disaggregation Blueprint. This included agreement to a hosted L&D service, provided by NNC to WNC for the first 18 months of operation, with separate L&D services to be created by October 2022.
- 2.2 The North hosted Learning and Development service has responsibility for delivering a comprehensive learning and training offer to West Northamptonshire Council and also the Northamptonshire Children's Trust (NCT), through a separate established service level agreement.
- 2.3 In total, there are seven separate functions that fall within the hosted Learning and Development service. Recommendations to disaggregate Learning and Development via a two phased approach were approved at the Shared Service Joint Committee on 27th April 2022. Phase 1 of the disaggregation is currently in progress and on track to disaggregate three functions by 30 September 2022.
- 2.4 The recommendations within this report seek approval to disaggregate a further two L&D functions, Business Support and the Learning Management System function, by 31 March 2023, in line with the Shared Service Joint Committee approval on 27th April 2022. This would form Phase 2 of the disaggregation process.
- 2.5 In addition to this Phase 2 disaggregation paper, a change request has also been submitted to the Shared Services Joint Committee that recommends extending the disaggregation of the L&D Apprenticeship Training Provider function and the Apprenticeship Employer Digital Account Service (currently in Phase 2) by a further 12 months, commencing in October 2023 as opposed to October 2022. This will mitigate key risks that have been identified in the impact assessments for these services.
- 2.6 If this Phase 2 disaggregation paper and the change request is approved, then five of the seven L&D functions will be disaggregated by April 2023.

3. Recommendations

3.1 It is recommended that the Shared Services Joint Committee:

- a) Approve the disaggregation of the L&D functions listed below, by 31 March 2023:
 - Business Support.
 - Learning Management System.
- b) Grant delegated authority to the Monitoring Officers for North and West Northamptonshire Councils to put into place a deed of variation to the Inter Authority Agreement (IAA) for the service to exit the IAA.
- c) Approve that both WNC and NNC will act in accordance with Service Plans, Exit Plans, and any Collaborative Working Agreements agreed by both WNC and NNC service leads and approved by Monitoring Officers until such time as a formal Deed of variation has been completed.

3.2 Reason for Recommendations:

- Ensure the safe and legal disaggregation of Learning and Development functions, in line with the Local Government Reform Blueprint.
- Enable each authority to tailor their learning and development provision to their organisational/corporate priorities and service delivery model.
- To ensure that any changes to the Inter Authority Agreement arising from disaggregation are correctly enacted with proper authority.

3.3 Alternative Options Considered

The options to remain as a hosted service was considered but it is recognised that this option does not align to the Disaggregation Blueprints agreed by the Shadow Executives in September 2020.

4. Report Background

4.1 Since the formation of the two unitary authorities in April 2021, the L&D service has been hosted by NNC and provides services to WNC and the Northamptonshire Children's Trust as per the agreed Blueprints and Service Level Agreements that are in place.

4.2 Detailed disaggregation fact-checks and impact assessments have been completed and the outcome of this work informed the decision to

disaggregate learning and development in two phases, commencing in April 2022.

- 4.3 Phase 1 of the disaggregation is currently in progress and on track to disaggregate three functions (Adults Communities & Wellbeing L&D, Children’s Education L&D and the Leadership and Digital function) by 30 September 2022.
- 4.4 Recommendations to take the specialist children’s NCT L&D provision in-house were presented by NCT to the Children’s Trust Joint Committee on 7th September 2022 and approved. This North function will therefore transfer to NCT as part of a TUPE transfer and will run parallel to the L&D disaggregation process, with a proposed completion date of 31st October 2022.
- 4.5 The impact of the Phase 2 disaggregation (Business Support and the Learning Management System/online learning system) will be factored into the 2023/24 Learning and Development budget. In terms of separating out the hosted Learning Management System for NNC and WNC, the quotes received from the suppliers indicate that there are no additional costs. The new separate contract costs would still be within the budget envelope.
- 4.6 To ensure continuity of service delivery, both authorities will review operating structures post disaggregation. Therefore, any future service redesign will be carried out separately, in accordance with the respective governance processes for each Council. WNC and NNC will meet future funding requirements through the realignment of existing budgets.
- 4.7 The recommended option comprises of a 50/50% split of staff and budgets, operating independently in NNC and WNC. Phase 2 comprises of 11 roles in total equating to a total of 10.1 FTE to be split across West and North.

5. Issues and Choices

5.1 The Impact Assessment considered two main options:

- (1) Remain as a Hosted Service.
- (2) A 50/50% split of functions.

The key benefits and dis-benefits of these options are summarised in Table 1.

5.2 **Table 1**

Option	Benefits	Dis-benefits
Option 1 – Remain as a Hosted Service.	<ul style="list-style-type: none"> • No disruption to current service /ensures consistency and continuity of training provision. 	<ul style="list-style-type: none"> • Does not align to agreed Blueprints for hosted service disaggregation. • Reduces ability to deliver bespoke / tailored learning and

	<ul style="list-style-type: none"> • Realises some economies of scale in delivery of training courses. • Reduces risk of skills gap/ management capacity and facilitates cross-working. • Financial efficiencies of a single learning management system. 	<p>training solutions that meet the specific needs of each Council.</p> <ul style="list-style-type: none"> • Lack of ownership of learning and development opportunities.
Option 2 – Split the Function 50/50%	<ul style="list-style-type: none"> • Aligns to the Corporate Plan and agreed Blueprints for each organisation. • Enables each authority to provide bespoke / tailored learning solutions that align to organisational priorities and needs. • Enables each council to redesign their L&D delivery model and structure in a way that is fit for the future and in line with budgetary requirements. 	<ul style="list-style-type: none"> • Duplication in mirroring generic training course and reporting requirements. • Potential for skills gap/ specialist knowledge gap due to 50/50 split, leading to further recruitment post disaggregation. • Potential for some in scope employees to leave, due to concerns about work location and distance from home address.

5.3 Option 2 is recommended and has been endorsed by ELT and CLT on 6th September 2022 and Joint Members Board (JMB) on 5th October 2022.

5.4 If approved, the Business Support team and Learning Management System will disaggregate with as near to a 50/50 split of staff resource and budget as possible.

5.5 Option 2 will deliver disaggregation safely and legally, within the approved Shared Services Joint Committee timeline of 31st March 2023.

5.6 As a joint project between North and West Northamptonshire Council, it has been agreed that the North Transformation Team provide a lead Project Manager. Enabler resource across both authorities will also be required to support to ensure the project is delivered within the expected timescales.

5.7 Any options listed here will be reflected in the Decisions and Minutes published after the meeting.

6. Next Steps

6.1 Engagement and formal consultation with in-scope staff and recognised union representatives will take place following approval of the recommendations in this report.

7. Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 This disaggregation has been factored into the 2023/24 budget planning process.
- 7.1.2 The WNC Inter Authority Agreement (IAA) contribution is in place for 2022-23 for all seven L&D functions currently. The IAA income to NNC will reduce by the associated amounts for the disaggregating functions at the end of phase 1 and phase 2.
- 7.1.3 NNC and WNC will meet any future funding requirements through review and realignment of existing budgets and operating structures across the teams as required.

7.2 Legal and Governance

- 7.2.1 The Shared Services Joint Committee is responsible for ensuring there are robust plans for any disaggregation of services and that there is a smooth transition to new service delivery arrangements. The Committee is also responsible for ensuring that statutory arrangements are in place for each Council.
- 7.2.2 The L&D service, which provides statutory and mandatory training, is currently hosted by NNC and provided to WNC. Upon the termination of this hosted Inter Authority Agreement, an exit strategy will be put in place.
- 7.2.3 As part of the disaggregation process, employees will undergo a consultation period where the outcome of employee allocation will be determined, and some employees will transfer across to WNC under Transfer of Undertakings (Protections of Employment) rules (TUPE) and the disaggregation principles agreed with the Trades Unions.

7.3 Relevant Policies and Plans

- 7.3.1 The disaggregation of the L&D functions complies with the requirements of the approved Blueprint, which outlines the hosted services in each authority that require disaggregating.

7.4 Risk

- 7.4.1 There are no significant risks arising from the proposed recommendations in this report. Any project management risks will be managed through the project governance process.

7.5 Consultation

- 7.5.1 Consultation with affected employees and recognised trades unions will commence in November 2022 for a minimum period of 45 days, subject to the approval to proceed with phase 2 disaggregation.

7.6. Consideration by Executive Advisory Panel

7.6.1 Not applicable

7.7 Consideration by Scrutiny

7.7.1 Not Applicable

7.8 Equality Implications

7.8.1 Any equality impacts will be considered as part of the formal employee consultation process.

7.9 Climate Impact

7.9.1 As part of the disaggregation some staff will TUPE from NNC to WNC, there may be reduced or additional travel considerations for some members of staff.

7.9.2 There is the ability to better utilise technology and deliver more online training to offset the potential impact noted in 7.9.1 and align delivery to each Councils future working strategies. Alongside, training materials can also be provided online therefore reducing paper and printing usage.

7.10 Community Impact

7.10.1 Not Applicable.

7.11 Crime and Disorder Impact

7.11.1 Not Applicable.

8. Background Papers

8.1 Not Applicable.