

KIRKLEES METROPOLITAN COUNCIL

REPORT TO:	CABINET
DATE:	25 February 2004
STATUS OF REPORT:	PUBLIC
AREA COMMITTEES/WARDS AFFECTED:	ALL
TITLE:	WEST YORKSHIRE JOINT SERVICES AGREEMENT
WHY IS IT COMING HERE? / WHAT DECISION IS REQUIRED?	
<p>The Cabinet is asked to note that the Joint Services Agreement will expire at the end of March 2004. Accordingly, the Cabinet is asked to approve a new legal agreement between the Councils of Kirklees, Leeds, Bradford, Wakefield and Calderdale for the provision of functions relating to archives, archaeology, grants to voluntary bodies and trading standards by a Joint Services Committee throughout the Council's area. The new agreement will extend the existing agreement for an indefinite duration, subject to the power to withdraw on one year's notice. The changes to the existing arrangements are not considered to be particularly significant, and largely confirm the current situation.</p>	
IS THIS AN URGENT ACTION APPROVED BY THE CHAIR OF SCRUTINY? NO	
WHAT ARE THEY KEY POINTS?	
1. BACKGROUND	
1.1	The West Yorkshire Joint Services Committee ("JSC") has been operating since 1986, continuing on a county wide basis the functions of the former West Yorkshire County Council in relation to archives, archaeology, grants to voluntary bodies and trading standards. The current Agreement dated 22 October 1999 was to last five years expiring at the end of March 2003 but was extended for a further year until the end of March 2004.
1.2	There is power to delegate the Council's functions to a joint committee under Sections 101 and 102 of the Local Government Act 1972, and Part II of the Local Government Act 2000.
1.3	Membership of the JSC comprises of four members of each Council which must include the Leader of each Council.
1.4	The lead support services authority is currently Wakefield Metropolitan District Council who will continue to employ staff, enter into contracts, and provide financial, legal, administrative and other support to the JSC under the Local Authorities (Goods and Services) Act 1970.

2. PROPOSED AGREEMENT

2.1 It is proposed that the existing agreement is replaced by a new agreement and extended indefinitely. Set out below are the main points and proposed changes to the current agreement:-

2.2.1 At the moment the Standing Orders of the JSC are required to be approved by the five District Councils. This is potentially a long and drawn out process. It is therefore proposed that Wakefield Metropolitan District Council, as Support Services Authority, would approve the Standing Orders by their full Council (being a non-executive function) and they would be "accepted" by the JSC. A separate memorandum of understanding will be provided to cover the general arrangements which will require the Standing Orders of the Support Services Authority to be used. (See paragraph 3 below for details)

2.2.3 Staff shall be employed by the Support Services Authority.

2.2.4 It is proposed to give the JSC the option to acquire support services from other constituent Councils if any conflict of interest arises in terms of provision by Wakefield Metropolitan District Council.

2.2.5 Contracts for supply of goods, works and services on behalf of the JSC must comply with the Financial Procedure Rules and Standing Orders for Contracts approved by Wakefield MDC's Full Council as Support Services Authority.

2.2.6 No later than 30 November in any year the JSC must submit to the Councils for approval estimates of capital expenditure and revenue income and expenditure of the JSC.

2.2.7 Under the existing agreement capital allocation and borrowing approvals are to be made available by each Council to the JSC through the Support Services Authority in proportion referred to in para 2.2.8. From 1 April 2004 a new capital finance regime will come into being. This will mean that the Support Services Authority will be responsible for borrowing for prudent debt management purposes and capital investment within affordability limits. An issue relating to whether the Council's consent should be required for "credit arrangements" which amount to borrowing of an amount equal to the cost of the credit arrangement entered into by the Support Services Authority on behalf of the JSC remains outstanding and may need to be dealt with in the Memorandum of Understanding (see para 3). The Council will be required to make available to the JSC any government support for capital expenditure as is relevant to the JSC and agreed by all Councils in accordance with the percentage proportions set out in para 2.2.8 below and the Support Services Authority are responsible for monitoring and review of these arrangements.

2.2.8 Revenue costs incurred by JSC should be shared by the Councils in the following percentage proportions:-

Bradford	22.98%
Calderdale	7.70%
Kirklees	18.69%
Leeds	35.25%
Wakefield	15.38%

2.2.9 In each financial year each Council will be invoiced for a single payment for a sum equal to the next revenue expenditure contained in the budget of the

JSC.

- 2.2.10** The JSC must prepare a “Business Plan” to reflect the agreed level of funding for the JSC. Each Council is responsible for monitoring the progress of the Business Plan, and it is proposed that the JSC will co-operate with each Council in relation to exercising the Scrutiny and review functions which are incumbent on each Council under the Local Government Act 2000.
- 2.2.11** The accounts of the JSC will be audited and open to inspection by the Councils. The Support Service Authority is responsible for effecting insurance cover for liability arising out of the discharge of JSC functions.
- 2.2.12** It is proposed that the institution and defence of criminal and civil litigation arising out of discharge of the functions of JSC will be dealt with in accordance with arrangements made by the JSC. In other words, the Support Services Authority or one of the other member Councils will deal with litigation on behalf of the JSC in a representative capacity.
- 2.2.13** At the moment the current Agreement is time limited (five years plus one year). The proposed agreement is open ended. The five District Councils still retain the power to withdraw from the Agreement on one years notice expiring on 31 March in any year and together they can agree to wind up the JSC. However, the revision will mean that there is no longer the need to periodically review the continuation of the Agreement.
- 2.2.13** Disputes shall be dealt with by way of arbitration.

3. PROPOSED MEMORANDUM OF UNDERSTANDING

- 3.1** This is intended to be read with the proposed Joint Services Agreement and is a non-legally binding position statement of the five West Yorkshire Councils. A first draft has been produced which requires approval of the Support Services Authority.
- 3.2** It notes that the JSC is not a separate legal entity. In other words it cannot enter into contracts or sue or be sued or own property in its own name and it is for the Councils to determine appropriate arrangements.
- 3.3** Wakefield MDC as Support Service Authority will normally act on behalf of other Councils where legal status is required, for example, relating to contracts and civil and criminal litigation.
- 3.4** The JSC will comply with Wakefield's Financial Procedure Rules and Standing Orders for Contracts and Wakefield will arrange for them to be accepted by the JSC.
- 3.5** Staff will be employed on Wakefield's conditions of service but Wakefield and the JSC will agree arrangements for considering conditions of employment.
- 3.6** Support Services will be provided by Wakefield in consultation with the JSC which will review these arrangements after three years from date of the JSC Agreement and every three years subsequently.

4. RECOMMENDATIONS

4.1 It is recommended:-

that the proposals in the report be noted and approved and that the Solicitor to the Council be authorized in consultation with the Director of Finance, to finalize the details and execute the revised Agreement and the Memorandum of Understanding in respect of the operation and management of the West Yorkshire Joint Services Committee.

CONSULTEES: **The Chief Executive and Director of Finance**

CONTACT OFFICER AND RELEVANT PAPERS:

Karl Larrad - Principal Legal Officer - Tel No 860 1458

BACKGROUND PAPERS: Report to Policy Committee 18 November 1998.