

Subject:	Provision of HR Services by the East Kent HR Partnership to East Kent Housing Limited
Director/Head of Service:	Head of Corporate Services (Shepway)
Decision Issues:	These matters are within the authority of the Committee
Decision type:	Non-key
Classification:	This report is open to the public.
Summary:	<i>This report details the need for a unanimous decision by East Kent Joint Arrangements Committee to allow the East Kent HR Partnership (EKHRP) to provide HR services to East Kent Housing Limited (EKH).</i>
To Recommend:	<ol style="list-style-type: none"> 1. To receive and note this Report 2. To authorise the East Kent HR Partnership to provide HR services to East Kent Housing Limited with effect from the 1st April 2011 subject to the completion of any necessary contract to the satisfaction of the principal legal officers in the four East Kent district councils.
Reasons for recommendations	East Kent Joint Arrangements Committee is asked to agree the recommendations set out below to allow EKHRP to provide HR services to EKH.

Next stage in process **Completion of the documentation.**

SUPPORTING INFORMATION

1. INTRODUCTION AND BACKGROUND

- 1.1 Subject to the any outstanding approvals in the four East Kent Districts, the provision of housing management services will be delegated to EKH with effect from 1st April 2011.
- 1.2 EKH is a newly formed company owned entirely by the four districts. EKH is a body corporate with its own legal identity.
- 1.3 Officers from the Project Team set up to oversee the implementation of the new company have been negotiating with officers from EKHRP regarding the

provision of HR services to EKH with effect from 1st April 2011. The scope of the services to be provided is detailed in the 'service level agreement' at Appendix 1. In line with other support service provision to EKH, an initial duration of two years is proposed. The scope and cost of the services will be similar to that currently being provided in respect of the 217 or so staff expected to transfer to EKH, save for some initial one-off work associated with the set up of the new organisation. Consequently there is little or no new risk to the partners compared to that which currently exists. Indeed if EKHRP were not enabled to provide this service to EKH the risk to the councils is potentially greater as this might affect the current operating model and costs.

- 1.4 EKHRP has no legal identity and is just a 'style' or 'brand' used to describe the four East Kent districts collaborating in the provision of a joint service.

2. THE NEED FOR CONSENT

- 2.1 Under the collaboration agreement that regulates the scope and provision of HR services to four districts, certain decisions are referred to as 'Consent Matters', namely: -

- Expansion of the Services beyond the Host Authority and the Delegating Authorities;
- Expansion of the scope of the Human Resources Services;
- Major financial expenditure;
- Change of Host Authority;
- Change of location.

- 2.2 For completeness, the Host Authority is Dover District Council and the Delegating Authorities are the Dover, Canterbury, Shepway and Thanet district councils.

- 2.3 Clause 6.11 of the collaboration agreement states: -

"In relation to any Consent Matter a unanimous decision of EKJAC is required."

- 2.4 Given that EKH has its own legal identity it cannot be argued that it falls within the definition of either Host Authority or Delegating Authorities under the collaboration agreement.

- 2.5 On this basis the provision of any service by EKHRP to EKH (or anyone else other than the four East Kent authorities) is a Consent Matter. Pursuant to clause 6.11 of the collaboration agreement, any Consent Matter requires a unanimous decision of EKJAC. It should be noted that the decision needs to be unanimous and not just a majority decision.

3. Conclusions

- 3.1 A unanimous decision of the East Kent Joint Arrangements Committee is required to allow the scope of the delegation to the East Kent HR Partnership to be varied to allow EKHRP to provide HR services to EKH with effect from 1st April 2011.

- 3.2 As the EKHRP has no legal identity, the service level agreement at Appendix 1 will need to be amended to reflect the fact that it is a contract to be made between the four districts as collaborative partners for the provision of HR services and EKH as the company receiving those services.

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BACKGROUND DOCUMENTS

The following background documents have been relied upon in the preparation of this report: None

Appendices:

Draft Service Level Agreement