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2 February 2017

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Dear Councillor,

You are invited to attend a meeting of the **2020 Partnership Joint Committee** to be held in the Committee Room 1, Council Offices, Coleford and remotely via video conference at the following locations: Cheltenham Borough Council, Cotswold District Council and West Oxfordshire District Council on **Friday, 10 February 2017 at 10.00 am**.

Yours faithfully,

Clerk to 2020 Partnership Joint Committee

To: Councillors Colin Dingwall, Wendy Flynn, Christopher Hancock, James Mills, Patrick Molyneux (Chairman), Brian Robinson, Lynden Stowe (Vice chairman) and Roger Whyborn



AGENDA

1. APOLOGIES

To receive apologies for absence.

2. URGENT BUSINESS

The chairman to identify any items of urgent business.

3. MINUTES (Pages 1 - 10)

To confirm the minutes of the meeting held on 30 September 2016. (attached).

4. DECLARATIONS OF INTEREST

To receive any declarations of interest in any matter to be discussed at the meeting. Members and officers are requested to identify the nature of the interest.

5. PUBLIC QUESTION TIME

To answer questions asked by members of the public. The constitution requires that questions are received four working days before the meeting (deadline 4.00pm on Monday, 6 February 2017). (A maximum of 30 minutes will be allocated). To submit a question, please contact Democratic Services on 01594 812625 or email democratic.services@fdean.gov.uk.

6. MEMBER QUESTIONS

To answer questions asked by members. The constitution requires that questions are received four working days before the meeting (deadline 4.00pm on Monday, 6 February 2017). (A maximum of 30 minutes will be allocated). To submit a question, please contact Democratic Services on 01594 812625 or email democratic.services@fdean.gov.uk.

7. COMPANY GROUP STRUCTURES AND ORGANISATIONAL DESIGN PRINCIPLES (Pages 11 - 22)

To consider and approve report PJC.13 – Company Structures and Organisational Design Principles.

10 February 2017
2020 Partnership Joint Committee

- 8. 2017/18 BUDGETS AND SERVICE PLANS** (Pages 23 - 34)
To consider and approve report PJC.14.
- 9. PUBLIC PROTECTION - END OF PROJECT REPORT** (Pages 35 - 42)
To note report PJC.15 Public Protection end of Project report.
- 10. PROGRAMME STATUS REPORT** (Pages 43 - 46)
To note PJC.16 the Programme Status report.

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Friday, 30 September 2016

FOREST OF DEAN DISTRICT COUNCIL

2020 PARTNERSHIP JOINT COMMITTEE

Minutes of a meeting of the 2020 Partnership Joint Committee held in the West Oxfordshire District Council on Friday, 30 September 2016 at 10.00 am.

Present

Chairman Councillor Patrick Molyneux

Vice Chairman Councillor Lynden Stowe

Councillors Colin Dingwall, Wendy Flynn, Christopher Hancock, James Mills, Brian Robinson and Roger Whyborn

Officers

David Neudegg, Managing Director
Claire Hughes, 2020 Partnership Monitoring Officer
Ralph Young, 2020 Programme Director
Frank Wilson, Chair of Client Officer Group
Jenny Poole, Group Manager for Go Shared Services
Deb Bainbridge, Head of HR
Julie Jones, Clerk 2020 Joint Committee
Tony Bees, Clerk 2020 Joint Committee

1. APOLOGIES

There were no apologies.

These minutes are not a verbatim record, but comprise the main points that members made. For these meetings the following acronyms will always be used.

PJC – Partnership Joint Committee
GOSS – GO Shared Services
CBC – Cheltenham Borough Council
CDC – Cotswold District Council
FODDC – Forest of Dean District Council
WODC – West Oxfordshire District Council

Cllr Molyneux, chairman of the committee, welcomed everyone to the meeting.

2. URGENT BUSINESS

The chairman identified no items of urgent business.

3. MINUTES

The minutes of the meeting held on 17 June 2016 were confirmed and signed as an accurate record.

4. DECLARATIONS OF INTEREST

No declarations of interest were made.

5. PUBLIC QUESTION TIME

There were no public questions.

6. MEMBER QUESTIONS

There were no member questions.

7. COMPANY DECISION AND FURTHER BUSINESS CASE UPDATE

These minutes are subject to approval at the next meeting

Upon invitation the Managing Director presented report PJC.7, commenting that there had been informal discussions around governance, structure and protocols. The report reflected the anticipated position of CBC and incorporated a revised business case and updated financial information.

The Committee discussed some minor proposed variations to the recommendations which were agreed. The Managing Director emphasised that the process was the key issue and that slight variations, such as the suggested amendments would be appropriate depending upon each council's own arrangements.

Cllr Dingwall asked if Board of Director arrangements should also include a term of office and appraisal details for non-executive directors (agenda page 39, paragraph 3).

Cllr Whyborn added that it was important to note that appraisal arrangements would be in place.

The Managing Director clarified that the report was intended to identify any 'red lines' for partners. It would act as a guide to officers to develop more detailed documentation required for the establishment of the Companies. He had also been asked by the Committee representatives with bringing proposals regarding the structures of the Board of Directors and would pick up the points made.

Cllr Whyborn recognised that the report was the result of a long process of discussion and was an important milestone with a good prospect of the company working well to benefit from the economies of scale and commercial opportunities.

The chairman agreed that it was a key moment in the journey of shared services.

RESOLVED – to

- a) *receive the 2020 Partnership Updated Business Case and notes the updated financial implications;*
- b) *approve the necessary funding of £10.14m*
- c) *approve the company structure & governance proposal at Annex B*
- d) *recommend that Partner Councils*
 - (i) *Agree to form local authority owned Companies with 2020 Partner Councils, as proposed by the Joint Committee*
 - (ii) *delegate authority to the Council's Head of Paid Service in consultation with the Leader of the Council and/or relevant Cabinet member, Section 151 Officer, Council's Solicitor, and Partnership Managing Director, to agree the Articles of Association, the Company's constitutional documents, Service Level Agreement and all other legal documents to enable the Companies formation and any subsequent decisions necessary to establish the company model;*
 - (iii) *Approve the required funding*
 - (iv) *Appoint the Leader of the Council or their named Council nominated substitute as the Shareholder Representative for the Company*

8. **SHARED SERVICES BUDGET AND PERFORMANCE UPDATE**

Upon invitation the Managing Director presented report PJC.9, explaining that one of the Partnership Joint Committee's (PJC) three roles was to oversee the partnership's budget and performance. He added that each partner council's service plans although largely similar were bespoke to each client and were available for anyone wishing to view them. Officers were beginning to develop mechanisms for further client interaction and whilst there was nothing new in the budgets, which had been reformulated, this was the first time they had been presented in this way. The next report would include three-year projections and built in targets for projected savings. It was for each partner council to consider overall service standards, and the PJC's role was to ensure that they were being delivered. He invited Frank Wilson, who acts on behalf of the Partnership Commissioning Group, as chair of the Client Officer Group to explain the work of the Client Officer Group.

Frank Wilson reported that the extended group had recently met to consider the first quarter performance information for all shared areas by the relevant partner councils. Members of the group agreed that the meetings formed the best way to consider issues and further meetings would take place quarterly. Minutes of the meetings would be made available.

The chairman emphasised that the PJC would monitor budget processes and performance, which were set and agreed by individual partner councils.

Cllr Stowe asked how the 2020 budget would be timed for 2017/18 to fit in with partner councils' own budget setting. Upon invitation the 2020 Partnership Financial Advisor explained that local budgets could not include the exact same figures as those in the 2020 report, because of variables such as revenues and benefits rebates and subsidies for which the PJC was not responsible. The approach was to discuss 2017/18 2020 budgets with clients (partner councils), which would then feed into each council's own budgets for February 2017 and into the 2020 partnership budget for the same time.

Cllr Stowe asked how the partnership could assure partner councils that figures were reconciled.

The Financial Advisor replied that officers were now looking at a three-year plan to be presented at the next PJC meeting, so that members could see any changes regarding inflation and other factors in an attempt to be as transparent as possible.

The Managing Director clarified that the 2020 budget figures had been gleaned from partner councils' own 'budget books', taking into account

projected savings from the current year. The budget for the following year would mirror the timing of councils' own budget processes.

Cllr Stowe asked for clarification on the figure of £824,280 mentioned on agenda page 52, relating to Building Control and Public Protection, asking that in future the figures be broken down for each partner council, as a useful benchmark.

The Financial Advisor replied that officers had tried to do that for the current year, but could not, as each partner council put together its figures differently. There would be an alignment of budgets as part of the 2017/18 budget setting process enabling comparison across councils.

Answering a question regarding harmonisation from Cllr Hancock, the Managing Director explained that part of the process of working towards one structure was to simplify matters and share good practice across the partnership.

Cllr Whyborn commented that the report did not tell him anything, but that he was willing to take it on trust for this year and expected a more detailed level of explanation in future.

The chairman emphasised that as the first report it represented a baseline and members could expect more detail and the ability to compare performance year on year going forward.

Cllr Stowe asked when the PJC would see the budget for the next round.

The Managing Director replied that it needed to be ready in October/November, when the report would show the budget monitoring and setting out projections for 2017/18.

RESOLVED -

- a) To approve the shared service budgets delegated to the Joint Committee for 2016/17; and*
- b) To note the agreement of Service Plans with Clients and any current performance issues*

9. HEALTH AND SAFETY POLICY

Upon invitation the Managing Director presented report PJC.7, commenting that this was the first policy to be considered by the PJC, following partner councils' individual internal consultation processes. He clarified that on some pages it should read Head of Paid Service '**or**' rather than '**and**' Managing Director, because each was responsible separately depending on whether the service was a shared or retained service.

Cllr Mills commented that, while he realised that this was a high level document, he assumed that the detail mentioned on agenda page 69 was elsewhere.

The Managing Director clarified that the policy would replace individual council policies, reminding members that partner councils had delegated HR policies to the PJC.

Cllr Hancock asked for a rolling programme of policies, now that the PJC was taking on statutory responsibility.

The Managing Director explained that the delegated statutory responsibility for Health and Safety was delegated to the Heads of Paid Service or the Managing Director to ensure that policies were enacted.

Cllr Whyborn said that he had received advice stating that councils were not permitted to delegate responsibility for HR and health and safety. He understood that while the policies might be identical, they were still owned by the individual partner councils.

The Managing Director clarified that the function operated through the PJC, which was a formal body of each council. In the future CBC might wish to consider taking back the delegation, given the number of employees involved, but currently it still lay with the PJC.

He then explained that all relevant policies would be put on the intranet, which was currently being developed for use by all partner councils, and would be identified as 2020 policies. The matter of councillor access was also being addressed, and mechanisms should be in place before the end of 2016.

He confirmed that this was the first of many policies, which were at various stages of development, to be agreed by the PJC.

Cllr Dingwall commented that it was best practice to have one person at the top to be responsible for health and safety to ensure clear communication, so that changes did not occur in one council without that person's knowledge.

The Managing Director replied that it was not appropriate to have one person responsible for a separate independent body, given that Heads of Paid Service would have ultimate responsibility for retained services and the Managing Director for shared services. However, it was possible to have a common set of policies.

Cllr Dingwall still saw the need for a single, preferably independent, point of contact for health and safety matters, where there is a risk that issues could be hidden or covered up.

Upon invitation the GOSS Head of HR confirmed that serious issues could be raised with senior HR advisers or the Head of Paid Service.

The Managing Director added that the policy could also cross-reference the whistle blowers policy.

The chairman asked the Head of HR to formulate an appropriate set of words to clarify the matter.

RESOLVED - to note and approve the Health and Safety Policy for each Council as attached at Annex A of report PJC.7.

10. PROGRAMME PLAN QUARTER 2 STATUS REPORT

Upon invitation the 2020 Programme Director presented report PJC.10, commenting that overall the programme status was green. He highlighted activities from June to August, as at agenda page 71. The programme was on track to realise benefits, was already built in to partner councils' budgeting and had no key risks.

Cllr Dingwall thanked all officers involved for their achievement.

The committee noted the report.

11. EXEMPT BUSINESS

RESOLVED that under section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in schedule 12A of the said act

12. INTERNAL AUDIT

Upon invitation the Finance Advisor presented report PJC.11, explaining that it concluded several months' work on how to make internal audit more efficient as more services joined together across partner councils. In considering the possibility of having just one internal audit provider, the partnership asked both current providers to propose how they could deliver such as service. Grant Thornton, as an independent third party, had assisted with the evaluation of the proposals, which had been based on cost and quality, as if it had been a full procurement exercise. The recommendation for the South West Audit Partnership (SWAP) to be the partnership's provider was unanimous and represented the first step in a process that would end in April 2017 with current Audit Cotswold staff being TUPE'd to SWAP. The recommendation would need to be agreed by partner councils, because it would require them to become members of SWAP, which is a Teckal company. In joining SWAP the partnership would have more resilience and access to a wide pool of expertise and good practice.

Cllr Whyborn said that he understood why the item was exempt, but would have liked to see some part of the report in the public domain.

The Finance Advisor said that while the SWAP cost data was included in this report, the ones going to each council would not be exempt.

The chairman commented that in an attempt to have as many reports as possible in the public part of the meeting FODDC either took out certain information or included them in exempt annexes.

Cllr Robinson noted the significant difference in SWAP's proposal in terms of adding value and asked what the impact would be if some partner councils did not agree the recommendation. He also asked if each council would have a separate vote as a member of SWAP.

The Managing Director confirmed that currently each council would be a member.

The Finance Advisor added that once the Councils became Members of SWAP, the PJC would relinquish audit responsibility. SWAP would report to each council's Section 151 Officer. She clarified that SWAP would audit the PJC's role as part of overall assurance to individual councils on service delivery.

The Programme Director said that once the 2020 Partnership Companies had been established one possible way of the Partnership Companies commissioning internal audit services would be from the councils. The councils would then contract with SWAP to provide the services to the Partnership Companies.

The chairman asked how the 20 per cent allowance would affect the company. The Finance Advisor said that she had not yet discussed future arrangements with SWAP, but had explored the notion of proxy votes.

Cllr Hancock asked if there was a specific term for the arrangement and how the partnership could get out.

The Finance Advisor replied that there was no set period, as councils would simply become members and could leave if and when they chose.

The Managing Director commented that this report dealt with yet another significant new issue and showed the level of maturity reached within the partnership in determining best provision. There was further potential for benefits if the partnership became a company. He confirmed that SWAP had 20 members across the whole of the South West.

The chairman commented that FODDC had been very satisfied with its relationship with SWAP.

RESOLVED –

- a) *That the Joint Committee recommends to the partner councils to become members of the South West Audit Partnership, a company limited by guarantee; and*
- b) *That the Joint Committee recommends to the partner councils to commission internal audit services from the South West Audit Partnership with effect from 1st April 2017.*

13. PUBLIC PROTECTION

Upon invitation the Managing Director presented report PJC.12, commenting that it represented another first for the PJC. He explained that Stratford on Avon District Council (SADC) had approached the partnership to provide Public Protection Services. The proposal would make a financial contribution to the partnership, and since he believed that there would be further instances such as this in the future he was seeking a direction from the PJC. He ended by asking the committee if it was happy in principle for him to negotiate with Stratford on Avon so that he could develop some general principles for Partner Councils to consider.

Answering questions, he said that the partnership could either have a contract with SADC, involving a management fee or SADC could join the company, if and when formed.

The partnership would need to establish rules around the financial arrangements for potential new partners.

SADC had already agreed to bear the initial one-off cost, so this would be a low risk first venture.

Cllr Hancock thought that each new venture would need to be assessed on a case-by-case basis.

Cllr Robinson commented that there was a danger that because savings were easier to achieve at the beginning of a venture, a partner might take those and stop at that point, so that there would be no medium term benefits for the partnership. It would be important to find out possible impacts to help with later ventures.

The Managing Director agreed that it was important to ensure that there was guidance for Group Managers in the future, rather than risk policy being developed by default during further deals.

He said that the matter was about achieving a balance, as any deal would need to be attractive to both partners. Ultimately it would all be for the public benefit.

The chairman expressed the need to be mindful of not doing things too quickly, adding that the approach suggested in the report outlined a good way forward, but must ensure that the main focus for the partnership was to get the establishment of the Companies right.

Cllrs Flynn and Whyborn said that they would abstain on this item, since it did not concern CBC.

RESOLVED –

- a) *To note the information in the report.*
- b) *To agree 'In principle' to the proposed partnership between the Environmental and Regulatory Services (ERS) Group and Stratford on Avon District Council to manage/deliver public protection services*
- c) *To authorise the Managing Director to enter into formal negotiations with Stratford on Avon District Council and in consultation with the Joint Committee enter into a service contract with Stratford on Avon District Council to manage/deliver public protection services.*

The meeting ended at 11.35 am

Minutes prepared by Tony Bees

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2020 PARTNERSHIP JOINT COMMITTEE

10 February 2017

PJC.13

Subject	COMPANY GROUP STRUCTURES AND ORGANISTIONAL DESIGN PRINCIPLES																	
Key Decision	This item is not a key decision																	
Partners affected	All																	
Accountable officer	David Neudegg, Managing Director Tel: 01993 860016 Email: david.neudegg@2020partnership.uk																	
Summary	The purpose of this report is to set out the approach to the design of the new organisation and the establishment of the company structures.																	
Annexes	Annex A - EXECUTIVE STRUCTURES																	
Recommendation	<i>a) note the contents and conclusions of the report.</i> <i>b) approve the draft structure for the companies as set out within the report for consultation with staff.</i> <i>c) authorise the HR Manager to finalise Job Descriptions and Person Specifications and invite internal applications for the roles.</i> <i>d) approve a partnership policy for early/flexible retirement and voluntary redundancy for those staff at risk of redundancy.</i> <i>e) delegate to the Managing Director in consultation with the relevant Council Leaders the appointment of candidates, and agreement of the final company structures.</i> <i>f) to receive a report on the financial implications of the transition to the company structure at the conclusion of the process.</i>																	
Implications (details at end of report)	If you write yes for any of the above, please give details in the boxes at the end of the report. If no, delete the relevant box. <table><tr><td>LEGAL</td><td>FINANCIAL</td><td>HUMAN RESOURCES</td><td>RISK</td><td>EQUALITIES</td><td>SUSTAINABILITY</td></tr><tr><td>NO</td><td>YES</td><td>YES</td><td>NO</td><td>NO</td><td>NO</td></tr></table>						LEGAL	FINANCIAL	HUMAN RESOURCES	RISK	EQUALITIES	SUSTAINABILITY	NO	YES	YES	NO	NO	NO
LEGAL	FINANCIAL	HUMAN RESOURCES	RISK	EQUALITIES	SUSTAINABILITY													
NO	YES	YES	NO	NO	NO													

1. INTRODUCTION AND BACKGROUND

- 1.1. It has been decided that the company structure will consist of three companies each with its own distinct focus but acting together as a group to ensure a holistic service is provided to the three Councils which will commission all of its services from the Group.
 - One of the companies will be focussed on customer facing service delivery.
 - One company will focus on providing business support services.
 - One company will commission services on behalf of the partner Councils. It will also provide advice and corporate governance support to both the Councils and the companies.
- 1.2. We have also now decided that each company will contain the name Publica and that the collection of companies will be known as Publica Group. Registration of the Companies has been secured as has a domain name.
- 1.3. Since the decision was taken by all four councils to support the establishment of three local authorities owned 'Teckal' companies, a series of one to one discussions has been held between the Senior Leadership Team (Councillors, Directors, Group Managers, Service Heads and other Designated Officers) from the three employing councils within the Partnership.
- 1.4. The following objectives and key questions were identified at the outset for which feedback was sought:

Objective

- To maximise the financial and other benefits of sharing specialist knowledge and skills whilst retaining sufficient capacity to support individual councils

Key Issues/Questions

- Geography and Geography – There are two aspects that need to be considered. The first relates to the distances between locations and the wasted time spent on driving from location to location. How much of individual roles need to be “in person” on site is a key question. The second issue relates to the two distinct county governance structures within the Councils operate with the need to support two separate partnership structures largely based around Oxford and Gloucester.
- Specialist V's Local Knowledge – Local Government structures tend to be built around professional knowledge rather than place based. However, councils will want professional advice based in a local context and adapted to meet each council's needs. This is a big risk if this balance is not right
- Radical or traditional – Moving to a company structure is a unique opportunity to be more radical in creating new roles with a different focus to what we currently have. However this will mean more disruption for existing senior staff .

- 1.5. The feedback received suggested that it was beneficial to take a holistic view of the company structures and to consider it as a “Group” to maximise the benefits to each of the partners within the parameters already established.
- 1.6. Most senior officers did not consider geography to be a significant barrier to working across the whole partnership area. Indeed most positively relished the opportunities that extended roles could offer. Similarly it was considered that working within two sub-regional areas was on balance an advantaged and provided access to a wider range of intelligence and experience of different approaches.
- 1.7. It was recognised that new structures needed to provide a balance between serving local needs in each Council area and securing efficiency and resilience gains from shared specialist skills. There was support for the concept of allocating some dedicated resources to each council as this was perceived as a current capacity weakness. There was also support for developing a team of shared specialist officers that supported all of the Councils who were responsible for providing detailed policy and commissioning advice.
- 1.8. It was considered that the creation of the new Companies presented a unique opportunity to create something new that we should therefore plan to maximise this opportunity. The discussions with the broader senior leaders group also focused on any barriers to making a significant change. Senior leaders thought that these were mostly cultural. Many staff have worked in a traditional local government environment for quite some time and a major change to that might prove difficult for some. However, it was considered that there are sufficient senior staff willing and able to embrace a new way of working to develop a critical mass.
- 1.9. Some concerns were expressed about current capacity levels both at the strategic director level and amongst some Heads of Services/Group Managers. It was felt that some tighter focus around individual roles with greater project management and administrative support could alleviate some of these concerns.
- 1.10. A number of senior leaders expressed frustrations that the current organisational design acts as a barrier and hindrance to improving capacity, resilience and flexibility. Managers are currently required to look within their teams to find solutions where better options could be developed by taking a broader more collective approach.
- 1.11. Through the discussions a number of common themes emerged with regard to current weaknesses in the way we currently design our organisations
 - Blended Leadership Roles – there was a general recognition that the most senior roles have developed through a blend of knowledge, skills and management ability. Although this provides for a varied and challenging role, many senior staff indicated a preference for utilising their knowledge and skills and perceived some aspects of their work as necessary but distracting them from the aspects where they could add most value to the organisations.
 - Management Capacity and Capability – Likewise it was recognised that many middle managers were in their roles as recognition of their skills and technical knowledge and not necessarily their management ability. Yet

senior leaders tend to judge those people not on their technical knowledge but on their ability to manage and lead change.

- Resource Planning – There was a desire for the new companies to be better at understanding and managing resources (financial and staffing) to meet the agreed plans for each Council. This needs to be done not only as part of an annual planning cycle but also on a shorter timescale to ensure urgent jobs or tasks requiring fixed timescale responses are delivered on time.
- Capacity and Flexibility – Linked to the above point is the need to be able to draw on the right skills and resources and therefore having access to a wider pool of resources that can be deployed quickly to the priority areas would be beneficial
- Customer Focused - There were some views expressed that indicated the current functional splits did not allow for a truly joined up service focused around meeting the customer's needs.
- Business Support – In general terms it was felt that business support to support the desired organisational design and can become simpler and easy to interact with.

1.12. In summary it was considered that we should review our thinking and approach to the future design of the companies based upon the following principles:

- Achieve financial sustainability for Councils
- Start with customer and user needs
- Create additional capacity
- Retain strong local knowledge
- Develop effective resource management to meet future demand and better manage operational and strategic risks.
- Avoid unnecessary complexity and bureaucracy
- Streamline and simplify any back office functions as far as possible
- Foster innovation and experimentation in service delivery
- Create structures that are streamlined and easy to understand
- Empower people to be creative, collaborative, and enquiring
- Create a sense of common purpose that everyone feels committed to
- Establish an organisational model that are flexible and adaptable to future changes

1.13. We are aware of a number of other Councils who have taken a more radical approach to organisational design and we are currently exploring whether such approaches would meet the 2020 Partnership's objectives.

2. COMPANY EXECUTIVE STRUCTURES

2.1. It has already been agreed in principle that Board structures and number of Directors should be kept to a minimum and that the Managing Director and Finance Director should be common to all three companies. Furthermore it has been suggested that each company should have its own lead Executive Director

who should sit on the Board. At this stage it is assumed that the Programme Director will not be part of the permanent structures of the Companies.

- 2.2. In order to minimise costs and ensure appropriate roles available for existing senior employees I am recommending that the Group Finance Director additionally acts as the Executive Director for the Support Services Company and Deputises for the Group Managing Director.
- 2.3. I am therefore recommending that the Group Managing Director, Group Finance Director, Executive Director (Services) and Executive Director (Commissioning) effectively act as an Executive Management Team for the group of companies. I have set out in Annex 1 a summary of the respective roles of each of the Directors. (The Management Team of the Business Support Company will additionally support Cheltenham Borough Council as well as other clients for the services they receive).

3. COUNCIL EXECUTIVE FUNCTIONS

- 3.1. The Councils will still need to access executive support to enable them to meet their statutory duties and fulfil their democratic functions. To enable this it is expected that a number of company employees will have dual or multiple employment contracts with the Councils. In order to avoid any potential conflicts of interest none of the Company Directors will have dual employment contracts or hold designated roles such as "Monitoring Officer", "Section 151 Officer" or "Head of Paid Service". These roles would be undertaken by other senior employees.

Ethical Walls

In addition to the separation of roles mentioned above it is proposed to establish information barriers or ethical walls between the companies and the councils to prevent sensitive information from being shared. The nature of such barriers could include:

- Distinct commissioning functions and client side team;
- Protocols on information sharing and dispute resolution;
- Agreement on processes for seeking support on "sensitive matters"

4. HEADS OF SERVICE AND GROUP MANAGERS

- 4.1. It is considered too early in the process to review the numbers and roles of Heads of Service and Group Managers and determine who would hold the designated Council roles. This will be considered and developed during the consultation with staff and reported back to the Joint Committee once the company structure proposals have been developed and finalised. However, the initial allocation of Business Areas to the Executive Directors has been set out in Annex A
- 4.2. Joint Committee members will notice that the majority Business Areas of existing Heads of Service and Group Managers are considered to be part of the Commissioning Company. This is not surprising as the majority of work undertaken by these officers is on providing advice and support for Councillors and councils

- 4.3. There are clearly significant opportunities to redesign and streamline the roles and numbers of senior officers required to support councillors in their democratic roles.
- 4.4. It is proposed that the process will be for the Managing Director to consult Heads of Services and Group Managers on the management structure of the Company. This will be followed by the formal HR process. The Company Board will be asked to agree the final company management structures.

5. CONCLUSIONS

- 5.1. In preparing a recommendation for the Joint Committee a range of alternative options have been considered including retaining the current arrangements whereby the most senior employees maintain their locality and council focus and new operational Executive Directors are appointed to provide leadership for the Business Support Company and the Service Delivery Company.
- 5.2. Although this approach provides greatest continuity for Councils, there is a concern that these locality-based roles are not sufficiently challenging and rewarding (with large elements of current roles being transferred to other newly appointed Directors) to meet the aspirations of current Directors. Furthermore, the creation of additional new Executive Directors roles would add substantially to the management overhead costs to the companies.
- 5.3. Clearly if the proposed structure leads to senior management capacity issues then this can be reviewed at any time in the future. However, at this stage it is recommended to be prudent and to limit the number of Directors.
- 5.4. it is recognised that the current phase of the company establishment requires a degree on continuity and transition to a more commercial focus and that future executive structures may in time need new people with new skills.

Key Issues/risks

- There is a need to determine and establish the new company structure prior to the companies becoming operational in autumn 2017.
- The HR process on the proposed company structures starting with a consultation with staff needs to commence shortly to meet the overall programme timescales.
- There is a need to maintain focus, capacity and expertise during the transition to the company
- There is a risk that during this process a number of staff may be put at risk of redundancy
- Uncertainty may be difficult or stressful for some staff and moral may be affected.
- There is a risk of losing some key staff during the transition process to the new company.
- It will be important to mitigate the risk of losing key staff to ensure continuity through the establishment of the company and the companies becoming operational

- 5.5. It will consequently be necessary to adopt a range of tools to manage the transition to a new structure whilst ensuring that service provision is maintained through a period of change. To mitigate the risks set out above the Joint Committee are asked to approve a specific HR policy relating to staff employed by West Oxfordshire, Cotswold and Forest of Dean District Councils ahead of commencing the formal consultation process on the proposed company structures. The policy is as follows;
- 5.6. "For those staff at risk of redundancy consideration will be given to voluntary redundancy or early/flexible retirement where there is a positive business case of a payback period of less than two years in the case of redundancy and early retirement and less than three years in the case of a flexible retirement request."
- 5.7. This policy will augment the councils existing policies on redundancy and redeployment which will continue to apply. The policy may offer a lower cost alternative to redundancies.

6. FINANCIAL IMPLICATIONS

- 6.1. The financial implications of the transition to the company structure are unknown at this stage but are expected to be within programme budget and in-line with the 2020 business case. A principal of seeking to achieve a payback of any costs as set out above will be adopted consistently across the partnership. The financial implications will be reported to the Joint Committee once the outcome of the HR process is known.

7. HR IMPLICATIONS

- 7.1. We will undertake a formal consultation and appointment process with all affected employees. The Executive Director roles will be ring-fenced to existing Directors. The Company Senior management roles will be ring-fenced to existing Group Managers/Heads of Service roles and will be filled through competitive process unless there is only one candidate. The formal consultation processes will commence in February 2017.
- 7.2. At the conclusion of the HR process the appointed candidates will be designated to the new company roles until company 'go-live' in autumn 2017 at which time company employment will commence. It will be necessary to conclude the work on Total Reward and the employee terms and conditions prior to staff being employed by the Company. The Company Board will be asked to agree the final employee reward package.

BACKGROUND PAPERS

The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

None

These documents will be available for inspection at the Council Offices, Coleford during normal office hours for a period of up to 4 years from the date of the meeting. Please contact the author of the report.

Group Finance Director	Executive Director (Service Delivery)	Executive Director (Commissioning)	Group Managing Director
Principal Business Areas	Principal Business Areas	Principal Business Areas	Principal Roles
<ul style="list-style-type: none"> Company Budgets and Accounts Company Business Plans New Contract Bids Investment Strategy Accommodation Strategy Commissioning and Value for Money Reviews Research and Intelligence Emergency Planning Health and Safety Risk Management Counter Fraud Strategy Media and External Communications Employee Engagement 	<ul style="list-style-type: none"> Company Policies (with MD) Company Business Plan (with FD) Company Design (with MD) Company Performance Reporting to the Board Client Liaison and Agreement of Service Specification Providing advice and recommendations to Commissioners on Service policy and Strategy Company Commercial Policy (with FD and MD) Supporting Contract Bidding (with FD) Employee Engagement 	<ul style="list-style-type: none"> Company Policies (with MD) Company Business Plan (with FD) Company Design (with MD) Company Performance Reporting to the Board Employee Engagement 	<ul style="list-style-type: none"> Group set up Group Policies Organisational Design Transformation Programme Commercialisation Strategy Company Performance External Promotion Client Liaison Councillor Liaison Council Leader support Employee Engagement
<u>Council roles</u> <ul style="list-style-type: none"> Council Budget Strategy and accounts Council Medium Term Financial Plans Asset and Treasury Management Democratic Support for Councils 		<u>Council roles</u> <ul style="list-style-type: none"> Lead Commissioner for Councils Principal Advisor to Councils on Strategy, Policy and Decision making Representing the Councils through key local and sub-regional partnerships Community Liaison and Development 	
Service Areas	Service Areas	Service Areas	
Commissioning Company <ul style="list-style-type: none"> Legal and Property 	<ul style="list-style-type: none"> Environmental and Regulatory Services 	<ul style="list-style-type: none"> Corporate Plans Planning Policy and Strategy 	

<ul style="list-style-type: none"> Corporate and Democratic Support Business Support Company <ul style="list-style-type: none"> ICT HR Finance Fraud 	<ul style="list-style-type: none"> Development Management Services Strategic Planning Services Revenues and Benefits Services Housing Services Customer Services (including FOIs, Linkline and CareLine) 	<ul style="list-style-type: none"> Housing Strategy Economy and Growth Tourism Crime and Disorder Strategy Safeguarding Prevent Health and Wellbeing Leisure Strategy Waste and Recycling External Service Commissioning and Client Monitoring Community Resilience (e.g. flooding) Parking Strategy Major local projects (e.g. housing, infrastructure and regeneration) 	
Staff Numbers: 183	Staff Numbers: 378	Staff Numbers: 105	
External Relationships	External Relationships	External Relationships	External Relationships
<ul style="list-style-type: none"> Gloucestershire Finance Officers Oxfordshire Finance Officers One Public Estate SWAP Local Resilience Forum (Gloucestershire) External Audit UBICO Director 	<ul style="list-style-type: none"> Key Customer Client Groups Trade Union Liaison 	<ul style="list-style-type: none"> Oxfordshire Growth Board Leadership Gloucestershire Gloucestershire Economic Growth Joint Committee Local Enterprise Partnerships Gloucestershire Strategic Directors Community Safety Partnerships Health and Wellbeing Boards Gloucestershire Waste Joint Committee 	<ul style="list-style-type: none"> Oxfordshire Chief Executives Gloucestershire Chief Executives

Annex A

		<ul style="list-style-type: none"> • Oxfordshire Waste Partnership • Thames Valley Police Chief Executives meeting • Gloucestershire Police Chief Executives meeting 	
Councillor Interactions	Councillor Interactions	Councillor Interactions	Councillor Interactions
<ul style="list-style-type: none"> • Council, Cabinets and Scrutiny as appropriate dependent upon agenda 	<ul style="list-style-type: none"> • Council, Cabinets and Scrutiny as appropriate dependent upon agenda 	<ul style="list-style-type: none"> • Normally Lead Officer at Council and Cabinets 	<ul style="list-style-type: none"> • Leaders and Deputy Leaders • Opposition Leaders • 2020 Partnership Liaison Committee

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2020 PARTNERSHIP JOINT COMMITTEE

10 February 2017

PJC.14

Subject	MEDIUM TERM FINANCIAL STRATEGY, BUDGET 2017/18 AND SERVICE LEVEL AGREEMENTS 2017/18					
Key Decision	This item is a key decision.					
	Jenny Poole, Group Manager GO Shared Services Tel: 01285 623313 Email: jenny.poole@cotswold.gov.uk					
Summary	This report sets out the Medium Term Financial Strategy for the Joint Committee from 2017/18 to 2019/20 and provides an update on approval of Service Delivery Plans for 2017/18. The report also provides assurance to the Joint Committee on service performance for quarter 2.					
Annexes	Appendix A – Minutes of Client Officer Group Meeting 9th December 2016 Appendix B – Draft Medium Term Financial Strategy					
Recommendation	<i>a) That the Joint Committee approves the Medium Term Financial Strategy for the 2020 Partnership as set out at Appendix A;</i> <i>b) That the Joint Committee notes that a detailed budget for 2017/18 will be presented at the next meeting;</i> <i>c) That the Joint Committee notes the progress on approving the Service Level Agreements for 2017/18 and authorises the Managing Director to agree the final versions with the respective Client Officers at each authority, any issues to be reported back to the Joint Committee on an exceptions basis.</i> <i>d) That the Joint Committee notes the Client Officer Group Minutes of 9th December which provide assurance over service performance for Quarter 2 of 2016/17.</i>					
Implications (details at end of report)	If you write yes for any of the above, please give details in the boxes at the end of the report. If no, delete the relevant box.					
	LEGAL	FINANCIAL	HUMAN RESOURCES	RISK	EQUALITIES	SUSTAINABILITY
	NO	YES	NO	YES	NO	NO

1. REASONS FOR RECOMMENDATIONS

To provide assurance over service performance during 2016/17 and to feed into the Council's budget setting processes for 2017/18.

2. BACKGROUND

The 2020 Partnership Joint Committee has delegated responsibility for delivering the 2020 Partnership services on behalf of the Partner Councils. Assurance over service performance is provided via the Client Officer Group. Minutes of the meeting of 9th December are attached to this report to provide Members with assurance over service provision for quarter 2 of 2016/17. Work is in progress on agreeing Service Delivery Plans for 2017/18; an update is contained in section 3.6.

This report also sets out external budget pressures and the impact upon the budgets delegated to the Joint Committee and the impact of savings to be delivered through the partnership.

3. MAIN POINTS

3.1. The key budget pressures on the Joint Committee budgets are from:

- The impact of the recent actuarial valuation of the Local Government Pension Schemes in Gloucestershire and Oxfordshire;
- pay award inflation – assumed at 1% per annum;
- impact of the introduction of the Apprenticeship Levy;
- additional resources required to support the new 2020 companies.

The Medium Term Financial Strategy at **Appendix A** includes all of the above budget pressures and the savings from the 2020 Partnership business case.

The more detailed budget for 2017/18 will be presented to the next meeting of the Joint Committee.

3.2. Impact of Actuarial Valuation

The impact of the actuarial valuation is set out in the table below.

	Contribution Rate 2016/17	Contribution Rate 2017/18	Discount for Ill Health Insurance Cover	Revised Contribution Rate 2017/18	Net increase in contribution Rate 2017/18	Joint Committee Services Increase Cost £
CBC	N/A	N/A	N/A	N/A	N/A	27,641
CDC	14.20%	17.90%	-1.50%	16.40%	2.20%	41,093

	Contribution Rate 2016/17	Contribution Rate 2017/18	Discount for Ill Health Insurance Cover	Revised Contribution Rate 2017/18	Net increase in contribution Rate 2017/18	Joint Committee Services Increase Cost £
<i>FDDC</i>	14.30%	17.90%	N/A	17.90%	3.60%	74,102
<i>WODC</i>	14.40%	15.80%	N/A	15.80%	1.40%	82,468

3.3. Pay award assumption

The Chancellor has previously announced that public sector pay increases will be capped at 1%, and whilst pay awards in local government are covered by collective bargaining between employers and trade unions and is not subject to direct control from central government, it is not unreasonable to assume that local government employers will mirror what happens in the rest of the public sector. Following a meeting of local government representatives, trade unions accepted the proposal made by the Local Government Association's National Employers group for a 1% increase for most staff in 2016/17 and 2017/18. As part of the new deal, lowest paid staff will receive higher increases to reflect the new National Living Wage.

3.4. Impact of the Apprenticeship Levy

In April 2017, the Apprenticeship Levy will be introduced at 0.5% of the pay bill. The aim of the levy is to encourage growth in the number of Apprenticeships available nationally. Each of the Partner Councils will have addressed the financial burden of the new levy within their budget proposals for 2017/18. As this will have been dealt with at a strategic level it has not been included, at this point, within the Joint Committee Medium Term Financial Strategy. However, in preparation for the transfer to the Publica companies, the impact of the Apprenticeship levy will need to be incorporated within the contracts for services.

3.5. Outcome of activity based costing exercise

When GO Shared Services was established, each Partner Council achieved a 23% saving on the baseline position of 2011. Over time, in response to corporate challenges, clients have made changes to how their services are delivered. Some clients have grown significantly (Ubico Ltd), others have outsourced services such as Leisure and Cultural Services and environmental services. GOSS has responded incrementally to each of these changes. There has been some concern expressed that some clients are subsidising other clients. In response to this concern, the GO Shared Services team has recently completed an Activity Based Costing exercise to review the volume of transactions being processed on behalf of each client and the level of professional/advisory resource being utilised by each

client (i.e. the proportion of Full Time Equivalent resources). The outcome of this review has been reflected in the proposed 2017/18 Service Delivery Plans and associated contract sums payable by each client.

The outcome of the activity based costing exercise is set out in the table below:

Activity Based Costing Exercise Outcomes

	SLA 2016/17	Impact of Inflation & LGPS 3.2%	2017/18 Pre Activity Based Costing	2017/18 Post Activity Based Costing	Variance
WODC	675,339	21,611	696,950	647,196	(£49,754)
CBC	649,256	20,776	670,032	703,632	£33,600
FDDC	559,512	17,904	577,416	567,685	(£9,731)
CDC	530,105	16,963	547,068	535,961	(£11,107)
Total	2,414,212	77,255	2,491,467	2,454,474	(£36,993)

The net savings have come from a reflection of the additional resources being consumed by third party clients. The results of the exercise have been presented to all of the third party clients and are being discussed with their Service Level Agreements for 2017/18. Cheltenham Borough Homes Ltd has agreed the budgetary provision for 2017/18; discussions are ongoing with The Cheltenham Trust and Ubico Ltd. There is a risk that the third party clients will not agree to the revised costs. For 2017/18, this risk can be mitigated, as there is a peak in workload across all GOSS services due to the establishment of the Publica group of companies and resources can be reallocated (if necessary) to the appropriate 2020 projects reducing the requirement for backfill. The work ongoing with the third party clients should result in greater clarity over roles, responsibilities and levels of resources available, and will facilitate an easier Service Level Agreement process for later financial years.

It would be helpful to have formal recognition of the views of the Joint Committee regarding the charges to third party clients.

3.6. Service Delivery Plans for 2017/18

Progress on agreeing the 2020 Partnership Service Delivery Plans for 2017/18 is set out in the table below:

	CBC	CDC	FDDC	WODC
GOSS	In draft for agreement	Ageed – one minor change required to budget to correct error in cost allocation between CDC and WODC	In draft for agreement	Ageed – one minor change required to budget to correct error in cost allocation between CDC and WODC
ICT and Customer Services	A draft Service Plan has been developed and sent to client officers for agreement. Work is also ongoing with the Client organisation (CBH, The Trust and Ubico) on the next generation of SLAs	A draft Service Plan has been developed and sent to client officers for agreement.	A draft Service Plan has been developed and sent to client officers for agreement.	A draft Service Plan has been developed and sent to client officers for agreement.
Land, Legal and Property Services		A breakdown of the amount of time spent on each discipline has been agreed and a draft SLA will be agreed	A breakdown of the amount of time spent on each discipline has been agreed and a draft SLA will be agreed	A breakdown of the amount of time spent on each discipline has been agreed and a draft SLA will be agreed
Environmental and Regulatory Services		Following the transformation project in 2016/7 and the creation of ERS, A draft SLA has been developed and sent to client officers for	Following the transformation project in 2016/7 and the creation of ERS, A draft SLA has been developed and sent to client officers for	Following the transformation project in 2016/7 and the creation of ERS, A draft SLA has been developed and sent to client officers for

	CBC	CDC	FDDC	WODC
		agreement	agreement	agreement
Revenues, Benefits and Housing Services		A joint (CDC/WODC) Service Plan has been drafted and will be agreed with the Client Officer.		A joint (CDC/WODC) Service Plan has been drafted and will be agreed with the Client Officer.

Legal implications	The Governance arrangements require the Service Level Agreements and Joint Committee budgets to be agreed in advance of the forthcoming financial year.
Financial implications	Subject of the report.
Human Resources implications	None directly from this report. Delivery of the 2020 Partnership Business Case savings will have human resource implications which will be addressed in business cases.
Risk	The key risk relates to the joint committee resources being sufficient to address the requirements from the partner councils and third party clients. Service Level Agreements have been prepared in order to mitigate this risk. The Agreements set out the level of resources available for the client to utilise. Where appropriate, potential resourcing issues have been highlighted in the SLA which will enable the Client and Service Provider to discuss options at client engagement meetings throughout the year in order to find mutually agreeable solutions.

BACKGROUND PAPERS

None

CLIENT OFFICER GROUP

MEETING NO 2

MINUTES

Location **Video-Conference**

Date 9 December 2016

Attendance Commissioners

Frank Wilson – Representative for Cotswold District Council and West Oxfordshire District Council (Chair)

Clare Cook/Claire Morris – Representatives for Cheltenham Borough Council

John Hays – Representative for Ubico Ltd

Andy Barge – Representative for Forest of Dean DC

Steve Slater – Representative for Cheltenham Borough Homes Ltd

Lynn Todman – Representative for The Cheltenham Trust

Providers

Jenny Poole – Group Manager - GO Shared Services

Phil Martin – Group Manager - ICT and Business Support

Bill Oddy - Environmental and Regulatory Services

Jon Dearing – Group Manager – Revenues and Housing Support

Bhavna Patel – Group Manager Legal and Property

	Item	Action
1	Minutes and Matters Arising	
	Outstanding Matters	
	Support call resolution on Agresso to be picked up by ICT in future	PM
	Agresso Update additional costs work in progress	JP
	Learning and OD rescoping work in progress	Deb Bainbridge
	Impact of ERS review on Customer Service Call Handling still under review	PM / BO

REPORTS OF GROUP MANAGER – GO SHARED SERVICES

2 **Revenue Budget Monitoring inc Q2 Performance Cards**

Noted

Items on Q2 performance discussed directly with clients

Activity Based Costing Review in advance of 18/19 budget setting noted by clients. Request for consideration of split charging methodology between core service and variable service in future if possible.

JP

3 **Agresso Upgrade**

JP gave verbal update. Gateway review 16 December but progress to date good.

Reminder of timeline for go live and training resources to be circulated

JP

4 **GOSS Management Team Restructure**

Requirement for review noted and request for details of new contacts as soon as possible

JP

5 **Satisfaction Survey**

Revise question 3 to be open question on customer service

JP

6 **Apprenticeship Levy**

Options Paper presented by Jan Bridges

Noted that the levy across the partnership was in the order of £156k with an allowance available to offset against training of £85k.

General feeling was that we should seek to minimise the impact of the levy by reclaiming against existing training accepted.

Consideration of resource allocation of 0.5 FTE accepted in principle to administer portal and reclaim allowance but further detail required.

JP

Liaison with local colleges should be considered

JB

7 **Impact of Off Payroll Employment IR 35**

Concern about the impact of legislation in this area and need to assess potential impact of this including recruitment via agency. Further work being done and will liaise with partners accordingly.

JP

REPORTS OF GROUP MANAGER – ICT AND BUSINESS SUPPORT

ICT Activities

8 Update Q1 16/17

General discussion on helpdesk stats which didn't quite hit the mark in terms of providing sufficient quantitative and qualitative data on service performance. % Closed calls and outstanding at end of quarter would be helpful.

PM

More commentary on project work would be helpful.

Customer satisfaction indicator would be useful.

PM

Concerns logged by Ubico about cancellation of Intranet upgrade and cost/ timeliness of telephony upgrade (handsets).

Agreed need to improve comms where 2020 Partnership decisions could impact on partners outside of core partnership.

FW

Clarification sought by CBC on Members ICT and activity based costing outcomes. PM explained as CBC at an advanced position on members ICT compared to other partners then resource required to bring other partners to same position. ABC outcomes incomplete as yet.

PM

Customer Service Activities (FoDC, CDC, WODC)

9 Update Q2 and Q3 16/17

Significant increases in call handling numbers across all partners due to various factors incl Waste and ERS changes

Improvement noted in Q3 due to resource improvements put in place since last COG – PM thanked for improvements seen.

Graphical presentation of call handling data would be useful to plot trends

PM

REPORTS OF GROUP MANAGER – LEGAL AND PROPERTY

10 Update Q2 and Q3 16/17

Group Manager asked to consider performance indicators which could demonstrate quantitative and qualitative performance of services.

BP

Activity analysis in local performance reports noted.

Restructure report received by partners and being considered.

FW/AB

Additional short term support for FoD noted covering absences.

REPORTS OF GROUP MANAGER – ENVIRONMENTAL AND REGULATORY SERVICES

11 Performance statistics, Key Priorities, Business Planning

Very positive performance on KPI's noted and team congratulated on successful implementation of ERS change.

Asked to consider other 'leading' indicators which might give better view of workloads and issues in service. BO showed a range of data which reflected some of these and undertook to review these and produce for COG as part of data pack.

BO

Consideration of Building Control review and performance high priority for West and CDC recognised by ERS.

BO

Noted that Managers and Supervisors working very hard on visibility.

Noted that Fees and charges on licensing might need review as a consequence of legal challenges but impact limited.

BO

REPORTS OF GROUP MANAGER – REVENUES AND HOUSING SUPPORT

12 KPI's

Key performance stats at WODC and CDC largely on target.

Agreed that the target on homelessness preventions needed adjustment as counter intuitive at present.

JD

Agreed need to do some work on emergency accommodation as the current provision is uneconomic and is not ideal for the service users. JD to consider business case for alternate provision.

JD

Discussion took place on the trade-off between speed of processing and accuracy in light of recent audit reports and subsidy impact. JD to review indicators and seek to identify better indicator of accuracy. View of commissioner that speed of processing should not take precedence over accuracy and happy to reduce speed target next year if accuracy could be improved.

JD

Dates of Future Meetings/ Forward Plan:

Date	Time	Location
<> March 2017	9.15	Video-Conference

	Revised Budget 2016/17 £	1% Pay Award £	Growth re 2020 Company £	Impact of Activity Based Costing Review £	Unavoidable Growth LGPS £	2020 Programme Additional Resources £	2020 Programme Savings £	Proposed Budget 2017/18 £	Inflationary Impact 1% £	2020 Programme Savings £	Proposed Budget 2018/19 £	Inflationary Impact 1% £	2020 Programme Savings £	Proposed Budget 2019/20 £
Partnership MD Office	224,710	1,655			2,345			228,710	2,287		230,997	2,310		233,307
Environmental & Regulatory Services	2,984,548	23,478			48,945		(240,000)	2,816,971	28,170	(131,000)	2,714,141	27,141		2,741,282
GO Shared Services	3,552,979	32,121	108,000	(36,993)	61,769	238,000	(101,000)	3,854,876	38,549	(29,000)	3,864,425	38,644		3,903,069
ICT, Change & Customer Services	4,794,948	32,400			63,867			4,891,215	48,912	(49,000)	4,891,128	48,911		4,940,039
Land, Legal & Property	2,665,483	11,034			22,936		(23,000)	2,676,453	26,765	(35,000)	2,668,217	26,682		2,694,900
Revenues & Housing Support	2,737,639	17,384			25,442		(87,000)	2,693,465	26,935	(86,000)	2,634,400	26,344	(50,000)	2,610,744
							0	0						
Cost of operating company model			193,000					193,000	1,930		194,930	1,949		196,879
Other 2020 Programme Savings							(350,000)	(350,000)	(3,500)	(342,000)	(695,500)	(6,955)	(1,237,000)	(1,939,455)
Total	16,960,307	118,072	301,000	(36,993)	225,304	238,000	(801,000)	17,004,690	170,047	(672,000)	16,502,737	165,027	(1,287,000)	15,380,765
Funded By:														
CBC	1,371,600	13,707	25,000	33,600	27,641	26,656	(56,000)	1,442,204	14,422	0	1,456,626	14,566	0	1,471,192
FDDC	3,069,750	20,100	92,000	(9,731)	41,093	70,448	(426,000)	2,857,659	28,577	(195,000)	2,691,236	26,912	(667,000)	2,051,148
WODC	6,406,969	39,909	92,000	(49,754)	74,102	70,448	(168,000)	6,465,674	64,657	(131,000)	6,399,331	63,993	(361,000)	6,102,324
CDC	6,111,988	44,357	92,000	(11,107)	82,468	70,448	(151,000)	6,239,153	62,392	(346,000)	5,955,545	59,555	(259,000)	5,756,100
	16,960,307	118,072	301,000	(36,993)	225,304	238,000	(801,000)	17,004,690	170,047	(672,000)	16,502,737	165,027	(1,287,000)	15,380,765

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Public Protection & Regulatory Services End of Project Report



Version History

Version	Date issued	Summary of change	Version owner
0.01	29/12/16	na	Bill Oddy
0.02	12/1/17	Amendments made following feedback	Bill Oddy
0.03	13/1/17	Final draft version distributed to Project Board	Bill Oddy
0.04	31/1/17	Minor amendment following feedback from Project Board	Bill Oddy

Sponsor:	David Neudegg	Programme Manager:	Jon Hyde
Project Manager:	Bill Oddy	Senior suppliers:	Phil Martin

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Introduction

Introduction	<p>This report aims to:</p> <ol style="list-style-type: none"> 1. Assess how well the project has performed against the outcomes and benefits contained in the business case and project Initiation document (PID); 2. Capture any lessons learned that can be fed into future projects/activities, and; 3. Establish future post project priorities.
Reference	<p>The business case, which was approved by each of the Partnership councils' and the 2020 Joint Committee, stated that the shared public protection service model would achieve the following outcomes and benefits:</p> <ol style="list-style-type: none"> 1. Creating a framework that is flexible, locally accountable, and enables the service to be 'scalable' 2. Creating a more efficient and effective redesigned shared support and administration service 3. Maximising the use of existing common ICT systems 4. Providing greater service resilience and improving customer experience 5. Creating a more resilient and flexible management framework 6. Provide a transparent and effective performance framework to measure business and local outcomes and quality of life issues like anti-social behaviour and environmental crime 7. Provide a framework where all regulatory policy and licensing decisions will be made by each Local Authority independently

Executive Summary

The Public Protection and Regulatory Services Project was the first service area to be transformed as part of the 2020 Programme. The project started in April 2014 and was completed in December 2016, a period of 33 months.

Outcomes and Benefits

The project has been judged as a 'considerable success' in that all the outcomes and benefits outlined in the business case were achieved including the following:

Efficiency, value for money, and risk management

- ✓ **Efficiency savings annually of £845,237 (35.5%); £13,237 greater than the £832,000 in the business case. The transformation will deliver £3,825,065.00 over the next five years.**
- ✓ The project costs were £1,107,750; £317,250 lower than the £1,425,000 predicted in the business case
- ✓ Operational services were effectively delivered during the project and there was no impact on service delivery or customers
- ✓ Introduction of smart working and a reduction in office accommodation of 48%
- ✓ Creation of common email and folder structures, combined outlook platform, video conference framework (including Jabber), and establishment of mobile/remote working
- ✓ All high risk 'critical' incidents are reviewed, managed, and monitored effectively

Customer Satisfaction

- ✓ **85% of ERS Customers are satisfied, this compares to the industry average of 73.9%¹**
- ✓ 61% of all telephone contact is now dealt with at first contact by Customer Services
- ✓ 86% of customers says that they are satisfied with being able to contact the council
- ✓ 93% of customers are satisfied with the quality of the information/advice
- ✓ 81.4% of customers are satisfied with the timeframe to deal with their enquiry

Area	Customer Satisfaction rate
Cotswold	82.35%
Forest of Dean	83.33%
West Oxfordshire	90.62%
Overall	85.43%

¹ UK Customer Satisfaction Index 2016

Staff

- ✓ **84.6% of ERS staff are satisfied with the outcome of the service transformation**
- ✓ 92% of ERS staff say that their work life balance has improved
- ✓ The creation of new job roles and a group resource framework
- ✓ The development of a resource allocation model (RAM)
- ✓ The creation of a technical resource pool to deal with lower risk/complexity tasks
- ✓ A more flexible approach to resource management has been implemented
- ✓ An ERS Duty Officer framework to effectively manage service demand
- ✓ A 24/7 ERS Duty Manager framework has been put in place

Lessons Learned

There are considerable lessons to be learned from the project that can be used in the future as part of the 2020 service transformation programme. These are contained in detail in a lessons learnt document which is available upon request under the following categories.

- 1) Customers Services
- 2) Human Resources
- 3) Information, Communications, and Technology
- 4) Project Governance
- 5) Development Control

The following lessons learnt are considered to be those that had the greatest impact on transformation and the outcomes and benefits that were achieved.

Customer Services

- ✓ Implementation of an effective method for managing emails and service requests
- ✓ Creation of duty officer and manager framework
- ✓ High percentage of calls captured at first point of contact via scripting and system design
- ✓ Approach to Members contacting ERS needs to be reviewed

Human Resources

- ✓ Greater risk tolerance allowed the project team to achieve key outcomes
- ✓ Production of new and generic J/D and P/S
- ✓ Use of an Information Hub to support staff during the transformation
- ✓ Good relationships with UNIONS throughout process

Information, Communications, and Technology

- ✓ Dedicated ICT resources to deal with system configuration and data transformation
- ✓ Creation of unified outlook system across all sites
- ✓ Project staff had limited knowledge of UNIFORM, which resulted in a longer system build time

Project Governance

- ✓ Project team held to account at dedicated weekly meetings and project plan that was flexible (Agile) to changing circumstances
- ✓ Dedicated project resources
- ✓ Make up of redesign team should have included other professional backgrounds

Development Control

- ✓ UNIFORM consultee in-tray implemented
- ✓ Insufficient segmentation of customers resulted in missing the increased demand from planning managers for engagement activities.

Post Project Priorities

The ERS Group has identified five development priorities for 2017-18 that will build on the service transformation and continuous improvement culture including the following:

- Business Development
- Customer
- Resource and Support Management
- Business Transformation and Implementation
- Performance and Quality

The Environmental and Regulatory Services (ERS) Group has been shortlisted for two categories in the national Local Government Chronical Awards 2017 (Efficiency and Team of the Year), the outcome will be announced in March 2017



Acknowledgements

The Elected Members and staff of each council who supported the project and service transformation.

The public protection managers and staff who continued to deliver operational services during the service transformation.

The following staff (in alphabetical order) for the considerable contribution they made to the transformation and the outcomes and benefits.

Bill Oddy	Lisa Cresswell
Beth Pritchard	Louise Thomas
Ben Ebeling	Mary-Ann Forrest
Carl Jones	Matt Kirby
Caroline Ballinger	Michelle Bignell
David Neudegg	Monica Downton
Debra Courtenay-Crane	Paula Burrows
Donna Puddy	Peter Hibberd
Glenys Evans Brown	Phil Martin
Gupti Gosine	Ralph Young
Helen Pearce	Roger Garbett
Ian Edgeworth	Ruth Levett
John Morrish	Sarah Cantwell
Jon Hyde	Sarah Turner
Karen Stephens	Simon Towers
	Stuart Rawlinson



<p style="text-align: center;">2020 Vision Programme Programme Status Summary</p> <p>Dates covered: September 2016 – January 2017</p>	<p>Overall Status:</p> <p style="text-align: center; background-color: #92d050;">Green</p>
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Programme Status	Green
<p><i>Provide an overview of the programme schedule status (highlights):</i></p> <ul style="list-style-type: none"> • In September / October the four partner authorities decided to move to a company model structure as recommended by the 2020 Joint Committee in September 2016. As a result a Local Authority Owned group of three companies will be set up. All Cotswold District Council, Forest of Dean District Council and West Oxfordshire District Council employees will transfer to these companies which will also provide ICT, Finance, HR and procurement services to Cheltenham Borough Council. • The company details and legal documentation, such as the Members Agreement and Articles of Association that are necessary to complete company registration are well underway and are due to complete by April 2017. • Working with our partners Innecto, the discovery phase of employee research, analysis and external benchmarking of our current reward and recognition practices has been completed. This will enable a new approach to Total Reward to be developed for all Cotswold, Forest and West Oxfordshire employees (this includes employees that provide ICT, Finance, HR & procurement services at Cheltenham). • In preparation for the move to companies and future business transformation a Leadership Development programme is being rolled out to approximately 70 managers across the partnership. This is supplemented by ‘Engage with Change’ workshops which have been provided to over 370 employees in 42 sessions, since summer 2016. • Delivery of the 2020 Partnership ICT strategy continues to provide ever improving technical communication across the partnership. A partnership portal open to all employees transferring to companies was launched in December to help with communication and engagement, as company details are developed. 	

Budget	Green
<i>Provide an overview of the programme budget:</i>	
Programme spend to date is within budget, see Appendix 1.	

Benefits Realisation	Green
<i>Report on the progress towards realising benefits:</i>	
Cashable savings to date are on profile with savings already delivered in 2015/16 and 2016/17 of £2.3m	

Key Risk Update	Green
<i>Report on key programme risks:</i>	
A programme risk register is maintained and regularly reviewed. There are currently no significant risks once controls and mitigating actions have been taken into account (i.e. residual risks scoring above 12).	

2020 Vision – Budget Monitoring Statement to end December 2016

Appendix 1

Cost centre (T)	Detail (T)	Responsible Officer	Approved Programme Budget	Unallocated Budget	Allocated Budget	Spend to Date	Commitments 2016/17	Allocated Budget Variance
Expert Advice			£772,903	£152,529	£620,374	£409,013	£38,819	£172,543
Vision 2020 Programme	Actuarial Advice	Jenny Poole	£93,207		£105,000	£42,957	£0	£62,043
Vision 2020 Programme	Commissioning advice	David Neudegg	£80,018		£80,018	£80,018	£0	£0
Vision 2020 Programme	HR Advice	Deb Bainbridge	£251,000		£223,000	£128,977	£37,019	£57,004
Vision 2020 Programme	Legal Advice	Bhavna Patel	£157,572		£111,250	£74,564	£0	£36,686
Vision 2020 Programme	Financial Advice	Jenny Poole	£21,516		£21,516	£21,516	£0	£0
Vision 2020 Programme	Property advice	Ralph Young	£10,000		£10,000	£0	£0	£10,000
Vision 2020 Programme	Organisational Design Advice	Ralph Young	£100,000		£0	£0	£0	£0
Vision 2020 Programme	LGA Peer Review	David Neudegg	£10,000		£11,390	£11,390	£0	£0
Vision 2020 Programme	External Evaluation of Internal Audit	Jenny Poole	£0		£8,610	£0	£1,800	£6,810
Vision 2020 Programme	FODDC Leisure Procurement Strategy	Paul Jones	£49,590		£49,590	£49,590	£0	£0
Programme Management / Project Support			£4,058,179	£1,832,935	£2,225,244	£1,498,741	£87,950	£638,552
Vision 2020 Programme	Programme Management	Ralph Young	£1,459,005		£875,000	£740,897	£47,835	£86,269
Vision 2020 Programme	Programme Support	Ralph Young	£537,515		£450,000	£119,594	£3,893	£326,513
Vision 2020 Programme	Programme Corporate Support	Jenny Poole	£920,415		£550,000	£298,046	£31,206	£220,749
Vision 2020 Programme	Shared Learning	Ralph Young	£200,000		£0	£0	£0	£0
Public Protection Project	Programme Management and Support	Bill Oddy	£321,820		£321,820	£311,943	£5,017	£4,861
HR Payroll Project	Programme Management and Support	Deb Bainbridge	£28,424		£28,424	£28,262	£0	£162
Agresso Project	Programme Management and Support	Jenny Poole	£270,000		£0	£0	£0	£0
Vision 2020 Projects	Project Backfill	-	£321,000		£0	£0	£0	£0
ICT			£3,114,598	£1,960,500	£1,154,098	£951,121	£37,743	£165,234
2020 Universal Secure Network Layer (ICT)	Universal Secure Network Layer (ICT)	Phil Martin	£400,000		£210,000	£204,000	£0	£6,000
2020 Universal Collaboration Layer (ICT)	Universal Collaboration Layer (ICT)	Phil Martin	£558,500		£505,000	£358,828	£0	£146,172
2020 'One Workspace' Layer (ICT)	One Workspace' Layer (ICT)	Phil Martin	£110,500		£100,000	£76,500	£22,080	£1,420
2020 Applications Layer (ICT)	Applications Layer (ICT)	Phil Martin	£1,517,400		£67,400	£55,792	£0	£11,608
Public Protection Project	ICT	Phil Martin	£278,198		£271,698	£256,001	£15,663	£35
Agresso Project	ABW Client & Feeder Systems	Phil Martin	£250,000		£0	£0	£0	£0
Cost of Transformational Change			£2,194,629	£1,089,121	£1,105,508	£1,069,583	£0	£35,925
Vision 2020 Programme	Vision 2020 Funding - REST Project	Mike Redman	£25,000		£25,000	£25,000	£0	£0
Vision 2020 Programme	Vision 2020 Funding - Ubico Development	Ralph Young	£110,584		£110,584	£110,584	£0	£0
Vision 2020 Programme	Business Change support	David Neudegg	£50,000		£50,000	£15,183	£0	£34,817
Vision 2020 Programme	Operational Company set up Costs	David Neudegg	£50,000		£0	£0	£0	£0
Vision 2020 Programme	Cost of Transformational change - Trusted Advisors	Jenny Poole	£395,739		£402,739	£402,728	£0	£11
Vision 2020 Programme	Cost of Transformational change - Other	Jenny Poole	£1,046,121		£0	£0	£0	£0
Public Protection Project	Cost of Transformational change	Jenny Poole	£517,185		£517,185	£516,087	£0	£1,098
			£10,140,309	£5,035,085	£5,105,224	£3,928,458	£164,512	£1,012,254

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