



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	EXECUTIVE – 12 MARCH 2025
Subject	PUBLICA TRANSITION PLAN – PHASE 2
Wards affected	All wards
Accountable member	Cllr Andy Graham, Leader of the Council andy.graham@westoxon.gov.uk
Accountable officer	Giles Hughes, Chief Executive Giles.hughes@westoxon.gov.uk
Report author	Andrew Pollard, Interim Programme Director Andrew.pollard@westoxon.gov.uk
Summary	To consider the Transition Plan, to note its contents and to approve the recommendations therein.
Annexes	Annex A – Phase 2 Transition Plan
Recommendations	That Executive resolves to Recommend to Full Council to: <ol style="list-style-type: none">1. Approve the implementation of Phase 2 of the Publica Transition on the basis of the Phase 2 Transition Plan.2. Delegate to the Chief Executive in consultation with the Leader of the Council the decision to deal with any final detailed matters arising from the Phase 2 Transition Plan.3. Delegate authority to the Director of Governance in liaison with the Leader to update the Constitution by making any consequential changes required as a result of Phase 2 of the Publica Transition.4. Carry out a budget re-basing for the 2026/7 financial year so that the funding provided to Publica is proportionate to the services received
Corporate priorities	<ul style="list-style-type: none">• Putting Residents First• A Good Quality of Life for All• Working Together for West Oxfordshire
Key Decision	Yes
Exempt	No
Consultation	Chief Executive, Director of Finance, Director of Governance, Leader, Deputy Leader, Executive Members, Interim Programme Director, Publica Interim Managing Director, Publica Assistant Directors.

I. BACKGROUND

- I.1 In January 2024, an Interim Programme Director was appointed to support this Council and other Councils who are shareholders in Publica in delivering the Publica Transition Programme (“Programme”). The Interim Programme Director established a small Programme Management Office (“PMO”) to support delivery of the Programme. A key element of the Programme was the development of a Detailed Transition Plan (“DTP”). This was prepared by the Interim Programme Director in Spring 2024, focussing on Phase 1 of the transition. It noted the overall objective of ensuring that certain services should move from Publica to be under greater control from the Councils in accordance with the recommendations of the Human Engine report, which the Council endorsed in November 2023.
- I.2 The DTP was approved by the Council as well as the other District Council shareholders in Publica in July 2024. Phase 1 of the transition, comprising a core suite of Council services, was delivered on 1 November 2024 in accordance with the DTP. Many of the Council’s services have continued to be delivered by Publica. Accordingly, the DTP had envisaged a Phase 2 transition of services in/around Spring 2025. Initial planning work for Phase 2 began in Autumn 2024
- I.3 In developing the Phase 2 Transition Plan, the PMO considered carefully the Councils’ objectives expressed through their corporate plan objectives, the design led principles outlined at high level by Local Partnerships in their report of February 2024, which preceded the DTP, and the aims of the Transition in relation to services and service delivery to:
- Deliver more defined local priorities;
 - Better reflect Council priorities and Corporate Plans;
 - Be more agile;
 - Be more sustainable;
 - Ensure better control over service;
 - Define services more to locality, with residents at the heart.
- I.4 As part of planning for Phase 2 an initial workshop was held between District Council CEOs, Publica’s Interim MD and the Interim Programme Director to seek to prioritise potential services for Phase 2. A more developed workshop was subsequently held with service leads at Publica to begin to map out current and potential future ways of working. Publica service leads provided information to the PMO on their service streams and how they operate, with suggestions on what future service models could look like.
- I.5 It was noted that in the Government’s English Devolution White Paper, a path has been set down for a significant re-organisation of Local Government. There are, however, many services that continue to require focus at a locality and District Council level in the short term, prior to such a re-organisation taking effect, which Phase 2 of the Transition could help support and underpin. Consideration will also be given to the impact of the White Paper, and potential unitarisation of councils, on Publica, which will be the subject of additional reporting as more information becomes available.

- 1.6 Consistent with the requirement to improve locality-based service delivery in the immediate term and the need for the District Councils to deliver on their Corporate Plans it was agreed to bring forward a Transition Plan for Phase 2 as soon as practicably possible comprising these priority service areas:
- Property & Estates
 - Waste
 - Leisure
 - Project Management
- 1.7 Lessons learnt from Phase 1 have been taken into consideration during the development of Phase 2 transition plan.
- 1.8 For the Phase 2 Transition Plan, costings have been modelled, beginning with ensuring an assured baseline onwards, together with a consideration of risk, opportunity and risk mitigation, with each element informing the overall project brief. Opportunities for sharing of certain services and roles were considered as part of the brief, however for these priority service areas it has been determined that a sovereign approach makes most sense at this stage. Taken together, this has enabled a Programme GANTT chart to be refined over time which provides the backbone to Phase 2 of the transition.
- 1.9 Through the process, it became clear that Phase 2 needed to take effect on 1 July 2025 to allow sufficient time for workforce consultation on the assumption that the District Councils were in a position to give support to the plan for Phase 2 in March 2025.

2. TRANSITION PLAN

The Phase 2 Transition Plan sets out the services proposed to transfer, the process, consideration of risks and opportunities, cost implications, practicalities and timelines. The plan follows best practices in HR and communications and will follow a clear and prescribed process to ensure the right information is communicated at the right time to ensure employment law is correctly followed and Publica employees are treated fairly. It also focusses on supporting employees through the process and explaining what the future will look like post transfer via the correct channels.

3. COUNCIL PLAN

- 3.1 The Council adopted an ambitious Council Plan in January 2023. This outlines the following vision for West Oxfordshire:
- “Shaping West Oxfordshire as a District which offers a fulfilling and meaningful quality of life for our residents with opportunities for all to flourish. A thriving and prosperous place for entrepreneurs and businesses, where local people and visitors can enjoy the beauty and heritage of our landscape, built, farmed and natural environment.”*
- 3.2 To achieve the Council Plan there are five priorities, of equal importance, which will guide the work we do:
- *Putting Residents First*
 - *Enabling a Good Quality of Life for All*

- *Creating a Better Environment for People and Wildlife*
- *Responding to the Climate and Ecological Emergency*
- *Working Together for West Oxfordshire*

3.3 The Phase 2 Transition Plan and the broader Publica transition supports these objectives.

4. BUSINESS CASE

4.1 The overall Publica Review provides an opportunity to restructure the Council and invest to deliver the vision and priorities set by the Council Plan.

4.2 The rationale for the additional costs of Phase 2 is:

- A more focused and defined approach to driving the delivery of the Council's priorities as set through the Council Plan.
- Clearer definition between Policy and high-level strategy on the one hand and delivery on the other. More defined control for the Council.
- Greater clarity over roles, responsibilities and accountabilities – and where direction is set from.
- Greater clarity and focus for those functions remaining with Publica – such as Revenues and Benefits, and ICT.
- Enabling performance and value for money to be more clearly defined and measured by the Council.
- Simplification of processes and in determining whether and how resources can be deployed and redeployed as priorities shift.
- Greater responsiveness and agility, to be able to deliver Council priorities and adapt to changing circumstances.
- Greater focus on locality and local services.
- Employing people locally, using this in support of economic growth (e.g. apprenticeships), being more accessible and visible and foster the spirit of the West Oxfordshire community.
- Opportunity to group services to accelerate efficiencies, by identifying synergies between certain services before moving and re-defining services.
- Being responsive and business like – adopting a commercial mindset when considering engagement with businesses, residents and key stakeholders, ensuring a cost recovery approach is used where appropriate to maximise service efficiencies, whilst balancing with community benefit.
- Better focus and ability to drive the sustainability agenda of the Council.

It is assumed within the Phase 2 Transition Plan that with the significant changes to Publica, there would also be a budget re-basing for the 2026/7 financial year. This will ensure that the funding provided to Publica is proportionate to the services received.

5. FINANCIAL IMPLICATIONS

5.1 Phase I services transferred to the Councils on 1st November 2024 and overall, the actual costs of Phase I were within the budget assumptions included in the 2024/25 budget cycle.

5.2 The options for the services considered in Phase 2 ranged from delivering services on a sovereign basis, delivering on a shared basis, and retaining in Publica.

- 5.3 Detailed structure plans have been developed and the associated costs have been modelled.
- 5.4 The savings from the re-structuring of senior roles in Publica were front loaded into Phase 1, so whilst it is possible further savings may result from changes to senior roles in Phase 2, they are not expected to be significant. This is due to the necessity for retaining sufficient senior resource to manage the services remaining in Publica i.e. Revenues, Benefits, Housing, ICT, Environmental and Regulatory Services, Customer Services and transactional finance.
- 5.5 The table below shows the enduring annual impact of Phase 2:

Phase 2 Indicative Cost Impact	CDC (£)	FODDC (£)	WODC (£)	Total (£)
Phase 2 Baseline	695,933	504,600	766,351	1,966,884
OTB/Council Solution	941,053	755,441	1,002,851	2,699,345
Phase 2 Enduring Annual impact	245,120	250,841	236,500	732,461
% Increase/Decrease vs Baseline	35.2%	49.7%	30.9%	37.2%

- 5.6 The one-off costs are based on the following:

ESTIMATED REDUNDANCY/ONE-OFF Cost		
Roles at Risk	30	Fragmented
Expected Mitigation	40%	Estimate
Estimated Severance p/role	£50,000	Estimate
Indicative Liability	£900,000	Split equally

- 5.7 In the proposed 2025/26 budget, £300,000 has been set aside from earmarked reserves to fund the one-off costs and an estimate of £200,000, as the cost modelling for Phase 2 had not been finalised when the budget was compiled, of enduring costs have been included in the base budget.
- 5.8 In terms of timescales for Phase 2, the target transfer date is 1st July 2025, based on Transition Plans being approved by Councils in March.
- 5.9 Based on the figure of £236,500, in section 5.5 above, the pro rata enduring cost for 2025/26 would be £177,375 with a transfer date of 1st July 2025.

6. LEGAL IMPLICATIONS

- 6.1 The Councils established a Legal Workstream with a membership composed of the Monitoring Officers for all four partner councils to Publica, the Interim Head of Legal Services, Business Manager for Business Continuity, Governance and Risk and the Interim Programme Director. This has met regularly to identify legal issues yielded by the proposed transition.
- 6.2 The legal implications of transferring services back to the Council fall into three principal areas:
- Contractual Obligations (internal and external)
 - Governance

- Employment law

6.3 Internal Contractual Arrangements

The contractual relationship between the Council and Publica Group Ltd is the subject of various legal agreements including:

- a members' agreement dated 25 May 2017 between FoDDC (Forest of Dean District Council), CDC (Cotswold District Council) and WODC (West Oxford District Council)
- an Admission Agreements in relation to the Gloucestershire County Council Local Government Pension Scheme dated 14 November 2017 and in relation to Oxfordshire County Council scheme dated 30 November 2017
- a Services Agreement dated 31 October 2017, with a commencement date of 1 November 2017.

The Services Agreement sets out the contract periods for general services, support services and for commissioning services, which come to an end on 31 October in 2024, 2026 and 2027 respectively.

- 6.4** For the time being the Council has agreed with Publica via a series of side letters that the contract will continue in respect of all these services until the Council has made a decision whether or not to transfer services back in-house, whereupon it will vary the contract or give notice.

6.5 External Contractual Arrangements

Existing contracts with external parties would require novation if the current party were Publica instead of the Council. This was identified as a potential risk in early meetings of the legal workstream, but it has not materialised. The contracts register appears to show that contracts have been completed in the name of the Council.

6.6 Governance

The Council will need to evaluate its existing non-executive scheme of delegation and satisfy itself that it either employs or has available to it (for example through shared services) the officers empowered to discharge delegated powers. The Council will also need to remove references to Publica in its Constitution where these are no longer applicable. It is proposed that the Monitoring Officer be given the power to make all consequential amendments to the Constitution that result from members' decision.

6.7 Best Value Consultation

External legal advice has been sought and obtained on whether or not the Council is obliged to carry out a public consultation under Section 3 Local Government Act 1999 on its proposals. Based on that advice, the Interim Head of Legal Services and Monitoring Officers are satisfied that no duty to consult arises.

6.8 Employment Law

The proposal has at its core a change in the employment relations of all employees it impacts. Whilst this has principally been within the remit of the HR Workstream, The Legal

Workstream has interrogated aspects of applicable employment law. There has been extensive discussion with external lawyers over the extent to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 (“TUPE”) applies to the insourcing of services.

In the case of this Phase 2, the impacts of TUPE are more limited than was the case with Phase 1. Where TUPE does apply, the employment of any employees assigned to an organised grouping will transfer automatically to the Council unless they object to the transfer. They would be employed on the same terms and conditions, save for gaining an entitlement to join the Local Government Pension Scheme.

Where a role is fragmented (roles delivering across more than one council) and will no longer remain shared post transfer, TUPE will not apply. In these instances, formal consultation will be undertaken employees in line with the Publica Redundancy Policy and Procedure following ACAS best practice. Consideration will be given to alternative measures to minimise or avoid redundancies including, but limited to, suitable alternative suitable employment within Publica, or through employment opportunities with the Shareholder Councils.

7. RISK ASSESSMENT

7.1 The Workstreams, the Officer Transition Board and the Council’s Programme Board regularly review the Programme Risk Register and the Programme is reviewed periodically through Publica’s own risk management framework. This approach of risk management will continue through the Programme.

8. EQUALITIES IMPACT

8.1 Under equality legislation, the Council has a legal duty to pay ‘due regard’ to the need to eliminate discrimination and promote equality in relation to:

- Race
- Disability
- Gender, including gender reassignment
- Age
- Sexual Orientation
- Pregnancy and maternity
- Religion or belief

When considering this recommendation, no barriers or impact on any of the above groups has been identified.

9. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

9.1 This recommendation has no climate change implications.

10. BACKGROUND PAPERS

Annex A - Phase 2 Transition Plan

(END)

