

Co-operative Scrutiny Board

Wednesday 9 April 2014

PRESENT:

Councillor James, in the Chair.

Councillor Mrs Aspinall, Vice Chair.

Councillors Mrs Beer, Bowie, Bowyer, Philippa Davey, Sam Leaves, Murphy, Kate Taylor and Tuffin.

Apology for absence: Councillor Darcy.

Also in attendance: Phil Morgan (Senior Policy, Performance and Partnership Adviser), Piers Newton (Programme Manager), Councillor Penberthy (Cabinet Member for Co-operatives and Community Development), Giles Perritt (Head of Policy, Performance and Partnerships), David Trussler (Interim Strategic Director for Corporate Services) and Helen Wright (Democratic Support Officer)

The meeting started at 4.00 pm and finished at 5.55 pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

145. **DECLARATION OF INTEREST**

In accordance with the code of conduct, Councillor Sam Leaves declared a private interest as she was employed by NEW Devon Clinical Commissioning Group.

146. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

147. **TRANSFORMATION PROGRAMME - CO-OPERATIVE CENTRE OF OPERATIONS (OUTLINE BUSINESS CASE)**

Councillor Penberthy (Cabinet Member for Co-operatives and Communities Development), David Trussler (Interim Strategic Director for Corporate Services) and Piers Newton (Programme Manager) provided an overview of the outline business case for the Co-operative Centre of Operations. The Board was advised of –

- (a) the problems that the programme needed to address were –
- the Council's funding gap of £65m;
 - the insufficient integration of strategy and planning, joined up within the Council and its partners;

- the poor integration of intelligence, decision making and implementation;
- translating the Brilliant Co-operative Council vision into practice;
- the poor support and management of volunteers delivering services;
- the complex corporate services offerings not designed to meet internal customer needs;

(b) the overall aims of the programme were -

- corporate function transformation – establish an ‘Executive Office’ that –
 - provided leadership, direction and intelligence for the Council;
 - directed the organisation, deciding what to deliver, how to do it and ensuring value;
 - used intelligence and co-operative principles for improved decision making;
 - provided a framework for how the Council engaged with communities, its citizens and businesses;
- delivering management transformation – establish capabilities to -
 - commission services strategically and manage delivery through partners (intelligent client);
 - support the co-operative delivery for partners to develop and maximise commercial opportunities;
- support services transformation – setting up new delivery models for -
 - internal corporate services that deliver to the Council’s requirements;
 - appropriate alternative service delivery vehicle for services (eg HR, finance and legal);
 - transfer of appropriate services to shared delivery or co-operative partner (at lower cost);

(c) the specific projects included in the programme were -

- the ‘Executive Office -
 - design and establish the strategic brain for direction and intelligent client capability;
- commissioning and procurement -
 - develop and implement corporate co-operative commissioning framework;

- HR, finance and corporate services -
 - redesign, develop and implement new delivery models for internal corporate services;
 - ICT-Delt migration -
 - set up Delt services with CCG, restructure ICT, transfer operational ICT delivery to Delt;
 - facilities management and business support-
 - redesign, develop and implement new delivery models for facilities management, business and admin support;
- (d) specific issues excluded from the scope included -
- commissioning and transfer of other services to new delivery models -
 - to be done by service areas with other transformation programmes, prior to transfer to the executive office (intelligent client) model for ongoing management;
 - customer services (customer and service transformation programme);
 - corporate strategies that would be managed by the strategic brain to be developed by service teams or other programmes as appropriate;
 - joint commissioning framework and function for care services and health -
 - to be developed with NEW Devon Clinical Commissioning Group under the Integrated Health and Wellbeing Programme;
- (e) the programme would deliver substantial financial benefits;
- (f) there were a number of key desired non-financial benefits/outcomes which included -
- services were better tuned to the needs of people (citizens, visitors) and business (democratic, pioneering contribution to the Council's corporate plan);
 - better decisions for local needs form better intelligence and better public engagement (democratic and caring);

- improved customer satisfaction from more involvement, input to decisions and better targeted services (democratic);
 - more flexibility and choice, tailored to local needs, for citizen's access to services (democratic and pioneering);
 - support for local economy and jobs from using local suppliers (partners and growing);
 - leveraging local energy, ideas and commitment to achieve better services (democratic, partners, pioneering and caring);
 - less complexity of the Council's operations reducing overheads (pioneering);
- (g) the investment costs in the programme were anticipated to reduce over the course of the programme;
- (h) the main equality and diversity issues for the programme included -
- equality and diversity impact assessments would be conducted, including the impact on child poverty;
 - the programme would make changes to some public facing services and the Council's relationship with businesses which all had equality and diversity implications;
 - relevant recommendations from the Plymouth Fairness Commission would be incorporated as specific outcomes for the programme;
- (i) key partners were engaged in the development of the programme ensuring that -
- NEW Devon Clinical Commissioning Group included on the Chairs Delt Shadow Executive Group and Project Board;
 - working with transformation engagement leads for communities, partners, Members and staff;
 - working with transformation business change advisers to engage with service teams and staff;
 - plans for engaging with potential partner organisations being developed;
 - co-design of project outcomes with managers and staff in service areas affected as well as the service's customers;
 - Full stakeholder analysis and communications plan were planned;

- (j) a number of risks were associated with the programme which included -
- reputational risk to the Council, if services were impacted during or after migration to alternative delivery models;
 - there may be too few public sector partners willing to co-operate in shared delivery of internal support services, reducing the options for cashable savings;
 - Members may not support the proposed changes;
 - managers and/or service teams may not buy into transformation, the co-operative approach or external service delivery;
 - internal staff appointed as project managers or business analysts were inexperienced and may find it harder to manage the large, complex projects planned for the programme;
- (k) there were a number of key events/actions for the Board which included -
- stakeholder and partner engagement;
 - programme management -
 - complete programme definition (benefits profiles, full programme plan, stakeholder analysis, communications and engagement plan and equality and diversity assessment);
 - continue training and support for internal staff secondments to project roles;
 - project activities (with particular focus on 2014/15 saving targets) -
 - introduction of concierge system to main Council offices (June for move to Ballard);
 - preparation for and transfer of operational ICT to Delt with CCG (July);
 - complete HR service review and develop blueprint for service and delivery model;
 - identify and realise savings from corporate services business support;

- controlled initiation of all projects with full business cases, PIDs and plans;
 - initial blueprints (models) for the executive office and future corporate services;
- (l) scrutiny would add value to the programme over the next six to twelve months by -
- providing critical assurance of the programme aims, plans and progress, as part of the corporate finance and performance monitoring;
 - monitoring realisation of benefits;
 - ensuring the programme was engendering a co-operative approach and was aligned with the corporate plan;
 - facilitating engagement of Members in the programme aims and changes;
 - providing comment on key programme proposals (with particular focus on changes to democracy and governance as part of the programme).

In response to questions raised by Members, it was reported that –

- (m) the mapping of individual roles within the Council, at this stage would not be feasible, as this would commitment resources that would be required to deliver the programmes; a mapping exercise could be undertaken at the time that the service area was being reviewed;
- (n) in order to safeguard any adverse impact on the Council's customers during this process, a sequence change approach would be adopted which would be closely monitored;
- (o) the future structure of the Council had not been pre-determined at this stage; however it was anticipated that different service delivery models would be in place with much greater joined up pathways and dissolved internal boundaries;
- (p) delivery of services by the voluntary community sector would continue;
- (q) it was acknowledged that whilst in some areas of the Council there was a good level of customer knowledge, in other areas this was lacking; in order to address this imbalance good practice would be applied to those areas to achieve a higher level of knowledge across the authority;

- (r) all models for the delivery of Council services would be investigated; if services could be delivered better in house then the potential to sale those services to other local authorities would be explored;
- (s) in certain pockets of the Council, staff were being encouraged to develop plans to 'spin off'; however a more systematic approach was required for this specific work;
- (t) whilst there as a package of support available to members of staff relating to the different service models, it was acknowledged that more work was required to better signpost staff to access this information more easily;
- (u) profiling work had yet to be finalised regarding how to best monitor the benefits and outcomes of the programme;
- (v) a substantial piece of work would be undertaken to look at the process for carrying out equality impact assessments; the transformation programme would also assist in delivering the issues highlighted in the Fairness Commission's report;
- (w) each of the programmes had their own risk register which also looked at the process used to manage the risk; information was also provided in a dashboard approach and submitted to the Member Transformation Board;
- (x) an undertaking was given that at each Board meeting an updated risk position statement would be provided.

The Chair thanked Councillor Penberthy, David Trussler and Piers Newton for their overview and presentation.

148. **EXEMPT BUSINESS**

There were no items of exempt business.