

Joint Lead Members Group

Feasibility Report - overview

Monday 11 June 2018

Report Contents

- Foreword from the Leaders
- Executive summary & Strategic Introduction
- Routemap for Delivery
- Proposal for One Joint Officer Team
- Proposals – Strategic Growth & prosperity, Transformation & Strategic Ambition (Governance, Contracts & Procurement, Commercial, Partnerships)
- Financial context and estimated costs/savings
- Risks, Mitigations and Exit Strategy
- Feasibility Study Recommendations
- Appendices – Equality Impact Assessment (EIA), Internal & External QA reports, 6-Month Planning Review report, background information on Finance, Commercial
- Background papers (for informal Member groups)
 - Governance and IT/Digital Analysis

Executive Summary (1)

Why we want to collaborate - for our people and place:

- A stronger voice
- Increased growth and delivery at pace
- Greater financial stability
- Provide services we would not otherwise be able to provide
- Increased investment and access to new funding opportunities
- Joint / complementary offers for support to businesses
- Greater choice for our residents in terms of housing supply
- Ability to retain and attract the most talented staff.

Continued....

Executive Summary (2)

The focus of the feasibility study is:

➤ **Establishing one joint officer team:**

- New Managing Director post
- Joint Senior Management Team
- ...followed by one joint team

To achieve: a joint approach to service delivery, one way of working & development of a shared culture.

Continued....

Executive Summary (3)

➤ The financial opportunity:

- Members have been clear that financial savings are not the primary driver for collaboration
- However, it's inevitable that some savings through collaborative working should be possible
- Indicative estimates:
 - Net £2.9m joint saving at Year 5 (2023/24) (Revenue Budgets) or £8.6m indicative saving over the first 5 years
 - Savings are from natural turnover, CEXs / Senior Management, Contracts & Procurement Minus indicative costs from essential ICT & Transition support
- The savings would not fill the financial gap but would help

Benefits/Impact on staff

- Ability to retain and attract the most talented staff
- Better opportunities for staff development and career progression
- Resilience for service delivery

Staff concern – redundancies

- Members of both Councils have said this is not an avenue we want to pursue

Scale of Opportunity

260,000 residents

10,000 businesses

1,460 sq/Km



Benefits – in more detail (1)

Stronger voice for both councils regionally & nationally to:

- Improve services, drive growth by attracting more funding – access to significant funding channels we otherwise would not be eligible (e.g. Department for Transport, Transforming Cities)
- Provide services and initiatives we would not be able to deliver alone
- Work more effectively and negotiate with partners to benefit health, well-being and prosperity of residents

Continued.....

Benefits – in more detail (2)

Increased funding and inward investment into the two districts to:

- Support new business start-ups and existing businesses to grow, to create more jobs for local people and attract a high skilled workforce
- Speed up the delivery of critical infrastructure.
- Grow business rates in order to invest in services that residents value the most

Continued.....

Benefits – in more detail (3)

Increased rate of housing and economic growth that benefits residents & communities to:

- Deliver mix of houses to meet need; Speed up delivery of new developments.
- Develop joint plans for new housing sites through the Greater Norwich Local Plan.
- Strengthen delivery of affordable homes allowing local people to live near their local connections.

Continued.....

Benefits – in more detail (4)

Increase in scale which offers opportunities to:

- Ensure greater financial stability for the two authorities, helping to balance the councils' budgets, closing the growing funding gap and keeping Council Tax low
- Deliver more innovative and efficient services for residents - improving our customer service offer
- Enable the Councils to attract and retain the best staff

Recommendations

The following summarises the recommendations:

Recommendation 1 (includes agreement of a-g below): Broadland and South Norfolk Councils to agree the proposals set out in the feasibility report for collaborative working, forming One Joint Officer Team across the two autonomous Councils. The required interdependent elements to deliver this are set out below:

- a) Agree Routemap for delivery. (Sections 9 to 19)
- b) Delete CEXs role & create Joint MD post. (Sections 10.4 to 10.8)
- c) Agree to subsequently appoint MD, Joint Senior Management & One Joint Officer team. (Sections 10.10 to 10.12)
- d) Continue current Planning arrangements, start developing joint planning team. (Section 10.13)
- e) Establish Growth Delivery Team.
- f) Agree transition & implementation budget for one joint officer team. (Sections 20.33 to 20.37)
- g) Agree provisional costs & savings split & delegate to S151s. (Sections 20.16 to 20.25)

Recommendations

Recommendation 2 (South Norfolk Council approve, Broadland Council note): South Norfolk Council approve the ceasing of employment of the Chief Executive with the delegation of the exit arrangements, including the effective date and terms to the South Norfolk Section 151 Officer and the lead HR Business Partner, the details of which will be shared with the South Norfolk Leader and the Deputy Leader. This is in line with South Norfolk Council's Constitution and the Local Authorities (Standing Orders) (England) Regulations 2001. This decision is subject to a five-day objection period. (Sections 10.4 to 10.9)

Routemap for Collaboration

Each of the proposals contains indicative timelines, these are grouped into:

- ***One Joint Officer Team*** – establishing Joint MD, Joint Senior Management, Joint Officer Teams and Joint Culture.
- ***Strategic intent for growth and prosperity*** - including economic growth, strategic housing and planning.
- ***Strategic ambition for collaboration*** - including commercialisation, partnership working, governance and contracts & procurement.
- ***Ambition to transform the way we work*** - including better use of technology (IT/Digital), business improvement and marketing & communications.

➤ Section 9 of the report provides a summary of these timelines to form a Routemap for delivery of our Collaboration activities

Indicative savings estimates

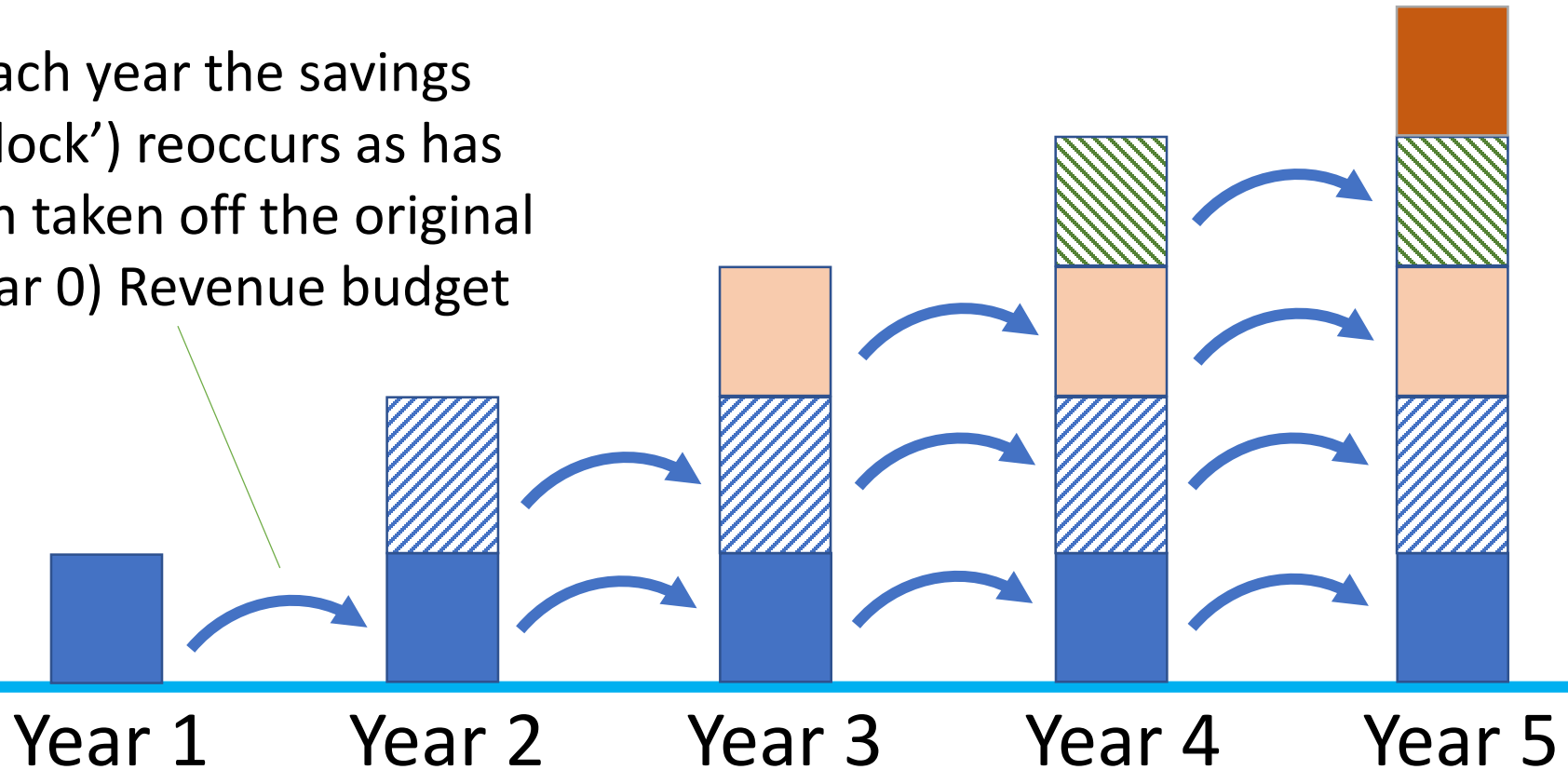
Indicative Revenue figures - shown as Net (ie, Savings minus Costs).					
Negative figures shown in Red are Costs.					
Aspect	Year 1 (2019-20) £000s	Year 2 (2020-21) £000s	Year 3 (2021-22) £000s	Year 4 (2022-23) £000s	Year 5 (2023-24) £000s
Annual reduction in Revenue budget*	777	1,395	1,951	2,502	3,044
Annual Costs to Revenue budget**	-194	-344	-184	-184	-184
Total Net reduction	583	1,051	1,767	2,318	2,860
					8,579

- Financial savings are not the main aim of our collaboration, however, there should be some efficiencies that accrue from it.
- Indicative estimates only at this stage:
 - Net £2.9m joint saving at Year 5 off the revenue budgets
 - Over the initial 5 years at combined total saving of £8.6m
- Such savings would not fill the financial gaps in the MTPs but would help relieve them

Cumulative savings totals

£-saving

Each year the savings ('block') reoccurs as has been taken off the original (Year 0) Revenue budget



The combined totals of all of these 'blocks' for all of these years forms an overall 5-year total

ICT/Infrastructure & Transition Costs

Critical to success of moving to joint working will be ensuring resources to support the scale of change.

- Essential ICT infrastructure estimated costs have been factored in that will facilitate collaboration

Other shared service councils' business cases also indicate costs may arise in such areas as:

- change and programme management
- additional travel/venue costs for members & staff
- structural realignment/training costs
- external HR support for joint structures
- contingency for unexpected costs
- For Year 0 (2018/19) £90k has been estimated

Next steps

The Feasibility report will be reviewed by Members through a series of meetings which will lead to a final decision on 12 July:

Mon 11 June	Joint Lead Members Group
Tue 12 June	Joint Scrutiny Group
Tue 26 June	BDC Scrutiny
Wed 27 June	SNC Scrutiny
Mon 2 July	BDC & SNC Cabinets (co-located)
Thur 12 July	BDC & SNC Councils (co-located)

Questions?

