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DEMOCRATIC AND ELECTORAL SERVICES

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Date: 11 January 2012 Direct Line: 01895 837225

Dear Councillor

CHILTERN AND SOUTH BUCKS JOINT COMMITTEE

The Joint Committee will be held as follows:

DATE: THURSDAY, 19TH JANUARY, 2012
TIME: 6.00 PM
VENUE: ROOM 6, CAPSWOOD, OXFORD ROAD, DENHAM

Yours faithfully

J.A. BURNES

Director of Resources

To: Members of the Joint Committee

South Bucks District Council

Mr Busby
Mrs Cranmer
Mr Wilson

Mr Reed
Mr Lidgate
Mrs Woolveridge

Chiltern District Council

Mr Rose
Mr Brown
Mrs Harker
Mr Stannard

Mr Smith
Mrs Darby
Mr Martin

Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

A G E N D A

1. **Appointment of Chairman**

To appoint a Chairman for the meeting.

2. **Apologies for Absence**

3. **Terms of Reference**

To receive the proposed Terms of Reference of the Joint Committee.

(Pages 1 - 4)

4. **Programme and Risk Report**

To consider joint report of Chief Executive (CDC) and Directors of Resources and Services (SBDC).

(Pages 5 - 10)

5. **Transformation Support Report**

To consider joint report of Chief Executive (CDC) and Directors of Resources and Services (SBDC).

(Pages 11 - 14)

6. **Programme Management Report**

To consider joint report of Chief Executive (CDC) and Directors of Resources and Services (SBDC).

(Pages 15 - 18)

7. **Provisional Calendar of Future Meetings**

To consider fixing a calendar of future meetings as follows:

13th February 2012 (CDC)

15th March 2012 (SBDC)

18th April 2012 (CDC)

17th May 2012 (SBDC)

25th June 2012 (CDC)

19th July 2012 (SBDC)

(1) All meetings to commence at 6.00 pm.

(2) In July review frequency of future meetings.

The next meeting of the Committee is due to take place on Monday, 13 February 2012

CHILTERN & SOUTH BUCKS JOINT COMMITTEE “JC”**TERMS OF REFERENCE**

Chiltern and South Bucks District Council have entered into an Inter Authority Agreement on 19th January 2012, to establish Joint Arrangements to work together to share a Joint Chief Executive and a Joint Senior Management Team (Stage One), and then to examine the opportunities for further savings by the joining together of services, assets, officer posts and officer teams (Stage two).

The Authorities have agreed a joint Statement of Intent, a set of aims and a set of general principles to underpin the implementation of the Joint Arrangements by way of the Inter Authority Agreement. The Joint Arrangements and the agreed aims and principles shall be as defined and as agreed in the Inter Authority Agreement (IAA).

Membership - six Cabinet members from each Authority. Quorum, at least three elected members from each Authority.

Function - a Joint Executive Committee whose prime purpose is to drive forward and oversee the Joint Arrangements between Chiltern and South Bucks.

The primary functions of the JC are as follows:

- upon careful consideration of the relevant Business Case, to make Joint Decisions on behalf of each Authority within its terms of reference.
- To hear and resolve any disputes which have not already been resolved by the Joint Chief Executive
- Oversee the progress and achievement of Stage One and Stage Two of the Joint Arrangements
- Make any necessary recommendations to each Authority
- Receive reports from the Joint Chief Executive and Joint Senior Management Team once appointed
- Consider the Business Cases for Joint Service Proposals.

To achieve the overall aim, the JC shall (as part of its responsibilities):

- Oversee the development and subsequent delivery of a business case for the creation of a single senior management team (Chief Executive, Directors and Heads of Service) to serve the districts of Chiltern and South Bucks and present conclusions and recommendations to the Authorities both initially and on an ongoing basis.

- Understand the benefits gained and lessons learned from other similar successful and also failed attempts to integrate District Councils and present the findings to the Authorities.
- Recommend a mechanism/formula for the allocation of associated costs and efficiencies across the two organisations.
- Detail the risks, dependencies and resource and policy implications to the Authorities of taking this step and recommend any mitigating actions.
- Propose a communications plan to inform elected members, staff and managers in the Authorities, the media and (where and when appropriate) to residents in the relevant Districts.
- Subsequently, consider the next stages of delivering efficiencies through service integration, make any necessary recommendations on the future governance of that process and if requested identify suitable services and a timetable for integration and report accordingly.

Remit - The specific responsibilities of the JC are

- To review frequently (and at least on an annual basis as required by this Agreement) the operation of the Inter Authority Agreement between the Authorities and the overall delivery of the Joint Arrangements by the Authorities;
- To consider Business Cases setting out the detail of a Joint Service Proposal;
- To make Joint Decisions on behalf of each Authority following careful consideration of the relevant Business Case. Joint Decisions include:
 - a) Apportionment of the costs of the Joint Arrangements (using the methodology set out at Clause 8 of the Inter Authority Agreement)
 - b) Arrangements for the overall structure and resourcing of the Joint Arrangements
 - c) Agreement on the annual budget for the Joint Arrangements
 - d) Consideration and resolution of any matters disputed between the Authorities
 - e) Approval of any external advisors before appointment by an Authority
- To make recommendations to each Authority in respect of Joint Decisions and on the overall way forward for the Joint Arrangements;
- To establish and monitor appropriate performance indicators for Joint Arrangements including financial and service delivery indicators;
- To consider and address any concerns about the Inter Authority Agreement or about the Joint Arrangements in general raised by each Authority;

- To ensure that members of each Authority are regularly updated on the operation and progress of the Joint Arrangements.
- The JC may from time to time create limited task and finish groups of Members of each authority (Member Working Groups) to advise the JC on specific issues. The JC shall determine the membership of each Member Working Group and the terms on which each Member Working Group carries out its responsibilities.

The Authorities may amend the terms of reference and/or membership of the JC from time to time. Any such amendment shall be agreed in writing by each Authority by reference back to each full Council, taking into account any recommendation from the JC.

Delegations - all matters necessary to enable the JC to carry out its functions and Remit save for any 'Reserved Decisions' as defined in the Inter Authority Agreement.

Meetings - as and when necessary - minimum 5 times per year unless otherwise unanimously agreed. Venue to alternate between the two authorities offices and the leader of the host authority will chair each meeting. A member of staff of the host authority will provide the secretarial support to each meeting.

Standing Orders

Rules 5, 6, 12, 13, 16 (save for Rule 16(2) - the Chairman shall not have a casting vote), 17, 18, 19, 20 and 21 of the South Bucks District Council Procedure Rules shall apply to the meetings of the JC - and which for the avoidance of doubt are the same as Rules 5, 6, 11, 12, 14 (save for Rule 14(2) - the Chairman shall not have a casting vote), 15, 16, 17, 18 and 19 of the Chiltern District Council, or in so far as they include additional provisions or more generous provisions i.e. time limits on speeches, the additional and more generous rules shall so apply.

SUBJECT:	Programme and Risk Report
REPORT OF:	Prepared by - Chief Executive (CDC) - Directors of Resources and Services (SBDC)

1. Purpose of Report

- 1.1 To seek agreement to the format of reporting to the Committee on the progress of the shared working project.

2. Links to Council Policy Objectives

- 2.1 The two authorities have committed to a joint project to share management as a means of improving the resilience and quality of services and reducing costs for the council tax payer.

3. Information

- 3.1 Chiltern and South Bucks DCs have agreed to share their senior management, as an enabling step to closer working at service levels. The objectives of what are being undertaken are as follows.

- to save money for local taxpayers
- to maintain front line resilience
- to deliver better services to the public, particularly in the sharing of specialist teams
- to consider the rationalisation of office space and assets
- to collaborate on more efficient purchasing and procurement
- if politically and economically viable, to move towards a single service delivery unit to support the Authorities and deliver/commission/procure their services

- 3.2 The work at present is divided in to two stages.

- Stage 1 - the bringing together of the senior management for the two councils under a joint Chief Executive. The intention is to complete this stage by Summer 2012.
- Stage 2 - to bring forward business cases for the joining up of services to be built into a programme for closer working. This will commence in Autumn 2012.

- 3.3 To provide proper oversight on the progress of the work there will be reports to the Chief Executive and Senior Management Team, and also to the Joint Committee. The proposed format of the report is shown in Appendix A and members comments are invited.

4. Resources and Other Policy Implications

Finance

- 4.1 The business case approved by the two Council's made allowance for the costs of support of up to £250,000,

Procurement

- 4.2 Procurement exercises may be undertaken to provide support required to the programme. In addition one of the areas to be looked at is procurement, and the contracts let by the two authorities to identify any possible areas of saving and efficiency.

Personnel

- 4.3 The programme has significant personnel implications rising from developing new job descriptions for the new senior management team, evaluating them and then appointing to the new structure. It is important that personnel issues take proper account of employment legislation, both for the initial management changes and any subsequent ones. This is why the programme has secured external personnel support which will be funded from the overall support budget for the programme.

Risks

- 4.4 The key risks currently identified for the programme in the Business Case are:-
- Stage 2, service integration is not implemented
 - Members and officers do not adopt new working arrangements, lack of commitment to the joint working vision
 - A Council wishes to terminate the agreement
 - The financial savings are not achieved
- 4.5 The Main Risks were set out in Table 4 of the Business Case reproduced as Appendix B and will need to be developed as the programme progresses. In terms of implementation, the following appear to be the key strategic areas which are interrelated:-
- Ensuring sufficient resources for the programme, project management, focus on outcomes.
 - Ensuring the personnel processes are sufficiently robust.
 - Ensuring sufficient capacity exists to successfully accomplish the change programme and deliver services.

Members are invited to comment on the key risks with a view to the report being developed for the next meeting.

5. Recommendation

The Joint Committee is recommended to.

1. Agree the format for future programme report (Appendix A) and risk analysis (Appendix B) with any additional or amendments they may wish to suggest.

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Background Papers:	

PROGRAMME MANAGEMENT REPORT

Milestone	Complete	Comment		
Current Period				
1.	✓			
2.	✓			
3.	x			
Next Period				
1.				
2.				
Budget	Allocation	Spend	Forecast	Comment
Element				
Transformation				
HR Support				
Programme Mgt				
Risks		RAG	Mitigation	
1.		R		
2.		A		
3.		G		

Appendix B

Risk	Impact		Mitigation
	Likelihood	Impact	
Stage 2, Service integration is not implemented	M	H	The long term benefit to be derived from a shared management team is the greater capacity to reduce costs through shared services. It is important from the outset that the councils agree to implement stage 2 and put in place a timetabled plan for bringing services together under single management
Members and officers do not adopt new working arrangements	M	H	The effectiveness of the new shared management arrangements are dependent on Members and officers recognising the need for a new style of working arrangement with Members' engagement being at a strategic level. It will not be possible under the new arrangements for Members to have the same access to officers and this needs to be acknowledged and agreed to at the outset. In the medium term, developing the cultures of the respective organisations represents a major opportunity. Work done in the lead-in period by the Chief Executive and Directors is vital to creating the right framework to move forward.
A Council wishes to terminate the agreement	L	H	Arrangements for termination will be set out in the IAA. However, councils will need to recognise that termination will be costly for all involved. Members should be entering into the arrangement with the mindset that the new arrangements are permanent
The financial savings are not achieved	L	H	The financial savings from stage 1 will accrue naturally from the implementation of the new structure. The business plan sets out the savings

Item 4

Chiltern & South Bucks Joint Committee

19th January 2012

			based on assumptions outlined within the case. If the assumptions are not reasonable or if the Councils choose alternative arrangements there will be an impact on the costs and savings. A reasonable approach has been taken to phasing.
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H = High

M = Medium

L = Low

SUBJECT:	Transformation Support
REPORT OF:	Prepared by - Chief Executive (CDC) - Directors of Resources and Services (SBDC)

1. Purpose of Report

- 1.1 To seek agreement from the Joint Committee to the proposal for providing external support to assist with the development of a shared senior management for the two authorities.

2. Links to Council Policy Objectives

- 2.1 The two authorities have committed to a joint project to share management as a means of improving the resilience and quality of services and reducing costs for the council tax payer.

3. Information

- 3.1 Chiltern and South Bucks DCs have agreed to share their senior management, as an enabling step to closer working at service levels. To achieve this objective the authorities have identified that they will require support for the following:

- Team building for the new management structure, establish a shared management vision.
- Identifying and help implement the ways of working needed to enable the support of two separate district councils. This could involve some work around developing a common approach to service planning.
- Effective communications with staff, members, outside bodies on the changes occurring.
- Identification of the “culture” issues for each council, and how they might impact on the development of shared services.
- Member development to cope with the changing culture and ways of working.

- 3.2 It is envisaged that the support would come from organisations with a range of skills to meet the various elements of the brief. To deliver the requirements it is anticipated that the support will:

- Be experienced in the field of helping local authorities change.
- Need to draw on lessons from other authorities who have gone down this route, in particular what has worked elsewhere.
- Have a practical focus on what is appropriate to the Chiltern/South Bucks situation, and not be just an exposition of management/organisational theory.
- Need to be flexible to be able to adapt and respond to issues that emerge.
- Identify the risks with the project and keep them under review.

- Need to set out a clear timetable of what would be expected to be done over the period of the engagement, expected to be Summer 2012 to Spring 2013.
- Ensure there is a consistent key contact overseeing the overall delivery of the brief, and responding to any major issues.
- Provide regular, concise feedback on progress and issues to the C/Executive, and when required the Joint Committee.
- Ensure knowledge transfer so that the two councils can cope with Stage II changes with minimal or no external support.

4. Resources and Other Policy Implications

Finance

- 4.1 It is difficult to estimate accurately in advance of a procurement exercise what the cost of the proposed support would be. However on the assumption that it will involve between 100 and 120 day work the potential cost could be up to £75,000. The work, and therefore the budget would be broken down into a number of elements.
- 4.2 The business case approved by the two Council's made allowance for the costs of external support of up to £250,000 for the project and the cost of this proposal would be met from within that total figure.
- 4.3 The payment under any contract let would be linked to milestones, so that the Councils can be satisfied it is delivering what they require.

Procurement

- 4.4 There are potentially three elements to the work programme:
 - Initial work with senior staff on aims, objectives, approach which will need to be in parallel with the formal process of consultation on the structure and selection processes - ie ensuring the two organisations move forward together and do not reach a hiatus. This may need external facilitation, though the scope and extent will need to be determined as we progress. Suggested budget not to exceed £15,000.
 - Developing a common vision, strategic risks, appreciation of goals and objectives with Members. Certainly indications at Chiltern are that we will need to invest time and energy in this. Much can be done by the senior officer team but it would be prudent to make an allowance for this. Members' views on what would be most helpful will be sought at the meeting. Suggested budget not to exceed £15,000.
 - The detailed work of service reviews, setting up shared services. This links in with work carried out or underway at both Councils. What is needed in future is joint service reviews not individual ones.

It is proposed all three areas would be procured through Chiltern's contract requirements. The proposed contracts would be below EU limits. In terms of the larger area of service

reviews, the basic approach would be to circulate a brief, including the business case, for what is required with a PQQ¹ to chosen firms, for them to respond to by a specified date.

4.5 The PQQ information would be reviewed first and those organisations with satisfactory PQQ would have their proposals and prices considered. Recommendations would then be made to the Joint Committee for how to proceed.

4.6 Suggested organisations to invite could include the following all of whom have experience in working in the area of local authority change management:

- CPC Ltd
- PA Consulting
- Tribal
- RedQuadrant
- Alexander Consultants

Indicative Timetable

- | | |
|--|-----------------|
| ■ Approval of business case by Councils | Jan 2012 |
| ■ Seek J Cmm approval to proposal for support | Jan 2012 |
| ■ Issue proposal to selected organisations | Feb 2012 |
| ■ Proposals returned | Apr 2012 |
| ■ Evaluation of proposals and recommendation made to J Cmm | May - June 2012 |
| ■ Complete contract details | June 2012 |
| ■ Commence work | Jul 2012 |

Personnel

4.7 The larger service review contract would commence once the appointment process to the senior management structure has been completed. It is expected that there will be a sharing of the outcomes, techniques used with in-house personnel staff in order that the benefits can be extended to future shared services work.

Risks

4.8 The key risks are:

- Failure for new senior management team to work effectively together will significantly impact on the success of the overall project.
- Failure to adopt new ways of working to cope with the requirements of supporting two authorities, will impact on the efficiency and effectiveness of the arrangements.

¹ Prequalification Questionnaire, this collects information on the finances, probity, experience etc of any organisation invited to tender.

5. Recommendation

The Joint Committee is recommended to:

1. Members' views on the proposed approach, particularly to Member engagement, are given.
2. Agree to allocate £75,000 from the programme budget to fund the external support described in the report, to be allocated to the three elements described in the report.
3. Agree that officers undertake a procurement exercise and report the outcomes back to the Joint Committee for decision.

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Background Papers:	

SUBJECT:	Programme Management
REPORT OF:	Prepared by - Chief Executive (CDC) - Directors of Resources and Services (SBDC)

1. Purpose of Report

- 1.1 To seek agreement from the Joint Committee to the approach to programme management for the joint working between the two authorities.

2. Links to Council Policy Objectives

- 2.1 The two authorities have committed to a joint project to share management as a means of improving the resilience and quality of services and reducing costs for the council tax payer.

3. Information

- 3.1 Chiltern and South Bucks DCs have agreed to share their senior management, as an enabling step to closer working at service levels. To achieve this objective there will be a series of individual projects and activities that will incrementally move the authorities towards their goal. These projects will form the overall programme for change.
- 3.2 The management of the programme is something that needs to be considered. The programme management role is not seen as the catalyst for identifying projects, that would come from the senior management team. Programme management is not about the delivery of individual projects, but rather to have an overview on the following so that information can be provided to those responsible for the composition and delivery of the programme.
- The governance of projects
 - Project budgets
 - Progress against milestones
 - Risks and issues
- 3.3 It is envisaged at this stage that programme management capacity would need to be identified by the end of Stage 1 of the programme, Summer 2012. This is so that when individual projects are being developed to come to the Joint Committee for decision, there is some capacity to support them and build up an overall programme.
- 3.4 The role for the resource would cover the following.
- Maintenance of the overall programme log/register
 - Ensure that core documentation is in place for each project.
 - Business case
 - PID

- Up to date risk register

- Support lead officers for each project in producing documentation
- Prepare progress reports on the programme for C/Ex and for JC/JAIC
- Maintain programme library/archive.

- 3.5 To be successful the role needs to be carried out by a single individual who will develop the knowledge of the programme and build relationships with the individual officers responsible for delivering projects. On the basis of the role being as described it may be possible to identify the role internally, with maybe some backfilling costs. The post also may initially be part time until the full requirement is understood. If this proves unsuccessful consideration may have to be given to a temporary contract appointment.
- 3.6 As the precise level of programme management required will not become fully clear until Stage 2 has commenced it would be appropriate to review its operation after a year.

4. Resources and Other Policy Implications

Finance

- 4.1 The business case approved by the two Council's made allowance for the costs of support of up to £250,000, and within this some the cost of programme support would have to be met. At this stage a provisional sum of £40, 000 could be allocated to cover backfill or temporary contract costs.

Procurement

- 4.2 No implications

Personnel

- 4.3 If the post is to be filled internally or on a temporary basis then a job description and person specification will be produced.

Risks

- 4.4 The key risks arising from not having appropriate programme management arrangements are:
- Failure to ensure proper governance arrangements are in place causes projects to fail to achieve outcomes.
 - Lack of programme co-ordination leads to conflict between projects.
 - Programme risks not adequately identified and managed.

5. Recommendation

The Joint Committee is recommended to authorise the identification of the appropriate programme management resource, within a budget of £40,000, and to request a report back to the Committee after one year on the effectiveness of programme management.

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Background Papers:	

