

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.

Officer Contact:	Alan Goodrum email AGoodrum@chiltern.gov.uk Jim Burness email jim.burness@southbucks.gov.uk Bob Smith email bob.smith@southbucks.gov.uk
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

			<p>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.</p>
--	--	--	---

H = High

M = Medium

L = Low