

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 21 SEPTEMBER 2010

ADDITIONAL URGENT ITEM

Title of report	LEICESTERSHIRE TOGETHER TOTAL PLACE – PLACE BASED BUDGETING
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Programme Manager 01530 454535 gemma.whysall@nwleicestershire.gov.uk
Purpose of report	To provide Cabinet with a high level overview of the strategic aims of Leicestershire Together – Total Place and an understanding of the implications for NWLDC of the proposed pooled resources (financial and staff)
Reason for Decision	Understand Member's views and intent on the principle of pooled resources and finances to support Leicestershire Total Place;
Strategic aims	The report links with the Council's Strategic Aims of: Organisational Development Strong and Safer Communities Healthy Communities Prosperous Communities Sustainable Communities
Implications:	a.) Organisational changes that will impact a significant number of services and staff to position council for Total Place b.) Potential increase in financial costs c.) Use of resources d.) Change to the strategic objectives of the FFC Programme
Financial/Staff	The aims of Leicestershire Together Total Place imply potential redundancies, increase in costs, additional use of resources
Link to relevant CAT	N/A
Risk Management	The risks associated with the proposal from Leicestershire Together are not understood.

Equalities Impact Assessment	N/A
Human Rights	No direct implications
Transformational Government	The Coalition Government has clearly stated that there will need to be significant savings within the public sector nationally to help resolve the massive national debt. The extent of the reduction in the government grant to this Council will be known in October 2010. However there are current indications that the level of Government funding could decrease by 25 to 35%.
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	Facing the Financial Challenge Programme Team Corporate Leadership Team
Background papers	1. Final Report Total Place Leicester and Leicestershire v 1.5 22 February 2010
Recommendations	<p>THAT CABINET:</p> <p>A) NOTES THE CONTENT OF THIS REPORT;</p> <p>B) ENDORSES THE STRATEGIC INTENT OF TOTAL PLACE ACCESS TO SERVICES AND THE PRINCIPLE OF POOLING FINANCES AND RESOURCES IS AGREED, SUBJECT TO:</p> <ul style="list-style-type: none"> • LEGAL, ICT, PROCUREMENT AND HR ADVICE BEING OBTAINED FOR ACCESS TO SERVICES, • GOVERNANCE BEING CLARIFIED ; • AND A DETAILED FINANCIAL BUSINESS CASE IS UNDERSTOOD WITH A CLEAR ASSESSMENT OF IMPACT ON NWL CUSTOMERS.

1. BACKGROUND

1.1. This report is brought to Cabinet as an urgent item. The Council was contacted on 17th September 2010 and the nature of that request is documented in this report. However a response is requested by to release the financial information relating to Customer Services by Friday 24th September and therefore it is considered very urgent that this report is now considered by Cabinet.

- 1.2. Leicestershire Together - Total Place is a mechanism to identify and work together on service improvement and saving opportunities for the place as a whole. The principle for achieving this is through collaborative working across administrative and organisational boundaries in the place. The agreed vision for the Leicestershire-wide Access to Services Project is: "Work together to improve the customer experience in terms of speed, accuracy and comprehensiveness of response, based on a range of customer intelligence, for those seeking information on or requesting service provided by public organisations in Leicestershire in a way that reflects local needs resulting in positive customer satisfaction and confidence in public services and provide value for money and cashable savings".
- 1.3. Leicestershire Together Strategic Programme Board commissioned the creation of a report 'Leicestershire Together Total Place – Final Report' back in February 2010 to assess the needs of the place and a model to meet these needs for improvement and save costs as a total place.
- 1.4. Specifically in this report it refers to 'Access to Services', amongst other initiatives, and a proposal to consolidate all access channels (telephony, face to face, printed material, online and outreach activity) as well as associated support functions such as ICT licensing and support, finance, data management, customer insight and the management and delivery of consultation and engagement activity into a singular model.
- 1.5. NWLDC have been participating in a Leicestershire Together pilot to develop partnership hubs.

2. STRATEGIC PROPOSAL FROM LEICESTERSHIRE TOGETHER

- 2.1. On 17th September 2010, the Leicestershire Together Executive confirmed the following resolution in writing (following their meeting on 8th September 2010):
 - a) The Executive agreed that a radical change in the way we work together is required in response to the substantial reductions in public expenditure if public service performance and outcomes for Leicestershire people are to be maintained at currently high levels.
 - b) The Board agreed that a pooled budget joint commissioning model would provide the basis for this radical change and that the following steps should be taken to move in this direction:
 - i) As a test of willingness to pool budgets, the Executive would seek to agree a pooled budget to implement the access to services proposals currently being developed through the Total Place project. *Response sought within 5 days of formal proposal being sent - see section 3;*
 - ii) Each of the 6 commissioning hubs would be asked to consider, within the context of the emerging outcomes in the Sustainable Community Strategy, the scope of the pooled budget or budgets within their theme, an outline of the staffing arrangements that would undertake the commissioning of activity against these outcomes using this budget and the governance arrangements that would ensure that contributing funders had sufficient influence over these decisions;
 - iii) 'Access to Services' was agreed as the mechanism for streamlining and improving access to services through the Total Place programme.
 - c) The scope of this 'Access to Services' pooled budget covers the provision of information, advice and guidance for services and the management of

3. DECISION EXPECTED BY LEICESTERSHIRE TOGETHER

3.1. Leicestershire Together Executive now seeks answers to the following 2 questions, in order to progress the Access to Services pooled budget resolution within the timescales indicated by the Executive:

- a) 'Confirm that your organisation is willing in principle, subject to agreeing budget and governance for example, to pool its budget for access to services, by **Friday 24th September 2010**;
- b) Provide detailed financial information and supporting narrative by **Friday 1st October 2010**.'

4. IMPLICATIONS for NWLDC

4.1. Further appreciation and understanding of the scope, costs, benefits, assumptions, risks, governance and plans needs to be understood more fully before a full appraisal can be provided, however the following are the key high level implications that need to be understood at this stage, based on our current understanding:

- a) The costs to NWLDC in terms of ICT infrastructure, support and licensing and Customer Services will increase owing to the fact that our current and planned revenue costs are and will be very low by comparison;
- b) The Facing the Financial Challenge Programme in terms of deliverables (i.e. buildings, ICT, eService delivery, customer service partnership hubs, etc) will need to change to reflect the strategic intent behind the Leicestershire Together Total Place proposal;
- c) The costs of implementation, support and operational delivery are not yet known. We do not yet know what NWLDC will be expected to contribute;
- d) The presently articulated scope, purpose and intent behind the Leicestershire Together Total Place programme imply a much broader intent without any clear understanding or agreement on how potential efficiency savings may be shared amongst partners;
- e) This proposal will result in further changes to the structure of NWLDC's services and associated budgets and may lead to additional redundancy costs – the extent of this is not yet known at this stage;
- f) Potential for removing and/or cancelling current and planned shared services with NWLDC;
- g) This proposal could result in further changes to the management structure.

5. NWLDC STRATEGIC FIT

5.1. The principle of developing partnerships within Leicestershire to deliver improved services for less, has been an integral part of the strategic council delivery plan since 2005. The whole focus of the 'Facing the Financial Challenge Programme' is to deliver an accelerated approach to the delivery of partnerships in the NWL place and achieve greater efficiencies.

5.2. The intent of the Leicestershire Together Total Place initiative is welcomed and we support the delivery of more joined up services. However, in the absence of detailed costs, presumed to be associated with the implementation, and negligible return in

savings, noted in the 'Leicestershire Together Total Place – Final Report', a final decision can not be made until the information is available. NWLDC are currently in the process of seeking agreement to a management restructure which includes the consolidation of Customer Services (Corporate and Housing) and savings will be generated once the implementation progresses.

6. NEXT STEPS

6.1. The FFC Programme team would like to seek further clarification and supporting information to enable a more informed response to the 2 questions posed by the Leicestershire Together Executive in Section 3. This will be achieved by:

6.1.1. The further understanding of the detail presumed to be contained in a full PID (Project Initiation Document), a full cost/benefit analysis for each theme and strategic review and validation of 'Access to Services'. In order to have further context and supporting evidence of the benefits and costs, these need to be reviewed prior to any detailed decision;

6.1.2. The corporate costs associated with each Council/partner for Customer Services will be very different. Our current and planned model for Customer Services is and will be extremely cost effective. This will need to be measured against the perceived benefits; there is a risk that we could end up paying more, for less. There is currently insufficient information to confirm a detailed position in terms of operating and implementation costs to use as a basis for any decision;

6.1.3. Presenting a more detailed report back to Cabinet, once the information and detail is known and can be assessed.