



EXECUTIVE

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN THE PRINCIPAL COMMITTEE ROOM, THE DEANE HOUSE, BELVEDERE ROAD, TAUNTON ON WEDNESDAY 24TH AUGUST 2005 AT 18:15.

AGENDA

1. Apologies
2. Minutes
3. Public Question Time
4. Customer Access Strategy
Report of Head of Corporate Services (ewnclosed)
5. Joint Venture Arrangements for Corporate Services - Outline Business Case - Draft 3
Report of Strategic Director (enclosed)
6. Housing Stock Transfer Consultation
Report of Housing Transfer Manager (enclosed)
7. Proposed Allocation of the Government's Planning Delivery Grant 2005/06
Report of Head of Development (enclosed)
8. Taunton Deane Borough Council and the Brewhouse
Report of Strategic Director (enclosed)
9. Travel Plan Development
Report of Strategic Director (enclosed)

The following item is likely to be considered after the exclusion of the press and public because of the likelihood that exempt information would otherwise be disclosed relating to the Clause set out below of Schedule 12A of the Local Government Act 1972.

10. Joint Venture Arrangements for Corporate Services - Appendix 4
(enclosed)

G P DYKE
Member Services Manager

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TA1 1HE

16 August 2005



Members of the public are welcome to attend the meeting and listen to the discussion. Lift access to the main committee room on the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is a time set aside at the beginning of the meeting to allow the public to ask questions



An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact Greg Dyke on:



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Website: www.tauntondeane.gov.uk (Council, Executive, Review Board & Review Panel Agenda, Reports and Minutes are available on the Website)

Executive – 20 July 2005

Present: Councillor Williams (Chairman)
Councillors Bishop, Mrs Bradley, Cavill, Garner, Hall and Leighton

Officers: Mrs P James (Chief Executive), Ms S Adam (Strategic Director),
Mrs J Sillifant (Joint Venture Project Manager), Mr G P Dyke (Member
Services Manager)

Also Present: Councillors Bowrah and Wedderkopp

(The meeting commenced at 6.15 pm.)

74. Minutes

The minutes of the meeting of the Executive held on 22 June 2005 were taken as read and were signed.

75. Apologies

Councillors Edwards and Mrs Lewin-Harris

76. Public Question Time

Carolyn Redfern of the Revenues and Benefits Section referred to the proposed Joint Venture Agreement for Corporate Services. She drew attention to the previous problems when the service was privatised and explained that as a result, the staff of Revenues and Benefits felt that they could not be reassured.

She asked if the views of the staff would have any effect on the final decision, how much would be saved by entering into the project and what plans were there to explain to the public that the service would again be controlled by a private company.

Councillor Williams replied that he hoped staff would continue to voice their concerns so that they could be properly addressed. It was important that the Council knew what the staff were thinking. Every effort would be made to be transparent and give answers where possible.

It was impossible at this stage to say how much would be saved. There was an option to withdraw from the project if there was anything the Council were unhappy with. However, this Council was an active partner with the County Council.

The Council were currently unable to deliver the efficiency savings being demanded by the Government.

Although the Council were seriously looking at this project, the final decision was by no means a foregone conclusion.

Penny James, Chief Executive, added that this proposal was not about contracting out to a private company – it would be a company owned by partners. She hoped staff would get involved in the debate. It was too early to talk about financial savings although the project was more about improving services and access to services.

This would be a way of positioning services for the future and was currently the preferred way forward.

No final decision had been made, there was no hidden agenda. It was intended that it would be staffed by Taunton Deane and located within Taunton Deane. The Council welcomed staff involvement, and although no final decision had yet been made the proposal was the preferred way forward for the services involved.

77. Joint Venture Arrangements for Corporate Services - Outline business case Draft 2

Further to Minute 69/2005 submitted report which was built on the first draft of the Outline Business Case presented to the Executive at its meeting on 22 June 2005. It reflected the development of the Council's emerging customer strategy addressed in more detail which services were proposed to be "in scope" and highlighted further progress on the project.

Since the last report significant progress had been made to further develop the work of the potential joint venture arrangement.

- (i) Work had been completed through the Officer Steering Group to determine which services should be "in scope". This included an in depth analysis of those services and related costs.
- (ii) The Governance and Project Management arrangements agreed with the County Council were in place and working well.
- (iii) The Chief Executive had held a number of staff briefing sessions which had been well attended.
- (iv) A Communications Strategy and Action Plan was being developed through the Officer Steering Group.
- (v) The Steering Group had produced and rated a risk management register for the project.
- (vi) A Member Steering Group was now in place for the project and would meet regularly to debate some of the more detailed aspects of the project prior to consideration by the Executive.

Details were also submitted of new information which was contained in the Outline Business Case (Draft 2).

RESOLVED that

1. the Outline Business Case (Draft 2) for the potential Joint Venture arrangement as submitted be noted.
2. the potential of a Joint Venture arrangement with the County Council continue to be explored.
3. further consideration be given at the next meeting of the Executive in August to a final Outline Business Case for the Joint Venture which would include details of the customer access strategy together with affordability modelling of the services proposed to be in scope.

(The meeting ended at 7.15 pm)

(No members of the press were present)

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 24th August 2005

CUSTOMER ACCESS STRATEGY

REPORT OF THE HEAD OF CORPORATE SERVICES

This matter is the responsibility of Executive Councillor T Hall

1.0 Purpose

- 1.1 The purpose of this report is to consider the adoption of a Customer Access Strategy.

2.0 Background

- 2.1 A Customer Access Strategy should set out the Council's aspirations for the way in which it wants to relate to its customers in the future. As we potentially move towards a Joint Venture approach to delivering some of our services, and increasing the number of partnerships that we work with it becomes increasingly important to have this clarity.
- 2.2 The attached Strategy was initiated following informal discussions between the Executive and CMT in January/February.
- 2.3 Subsequently, workshops have been run with the Review Board, staff and managers to help influence the development of the Strategy.
- 2.4 The Review Board considered the draft strategy at their meeting on 4th August 2005.

3.0 Recommendation

- 3.1 The Executive is recommended to adopt the Customer Access Strategy.

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Customer Access to Services Aspirations for the next ten years

1.0 Background

1.1 Many organisations, both public and private sector, have spent considerable sums of money researching their customer's needs. The general outcomes are not surprising, and clearly apply to Taunton Deane's customers.

1.2 Customers want:

- Contact when it is convenient to them;
- Easy methods of contact that suit them;
- A quick and correct response;
- A result.

1.3 Customers do not want:

- To be kept waiting;
- To be passed from "pillar to post";
- Bureaucracy getting in the way;
- "Press 1 for... press 2 for...";
- To repeat what they have already told us;
- To have to understand who specifically provides their public services;
- To report failings/problems and have no service improvements follow.

1.4 The Audit Commission has set criteria on achieving excellence in customer access. These relate to ensuring that citizens have choice, convenience and control in accessing services from the Council. The Commission have identified the following context for customer access:

- Services should be easy to access;
- Services should be supported by technology that is appropriate to meet customer needs;
- Council should respond to customer feedback and complaints to improve service quality and access to services;
- Council should use partnership working with neighbouring Councils, organisations and businesses to continually improve access to services;
- Council services should focus on the whole community;
- Council services must ensure equality of access and take proper account of equality and diversity of all service users.

1.5 Many surveys show that customers' generally preferred method of communication is by telephone. We need to recognise, however, that the preferred communication will depend upon the individual and his/her particular service requirement at the time. Thus the same customer may prefer different

methods of communication for different issues. There are many channels that are available, including:

- face-to-face;
- post;
- e-mail;
- internet;
- SMS text messaging;
- automated kiosks;
- digital television; and
- fax.

1.6 In some service areas – particularly where original documents are required to be seen – face-to-face contact is likely to continue. In other areas, technological progress will see a continuing expansion in the use of electronic means of access. With this variety of access channels it is important to ensure a consistency of approach so that the customer receives the same information and level of service regardless of the channel used.

1.7 We need to recognise that the average cost of a transaction differs considerably according to the access channel used – 12p for self service on line, £2 per telephone call, and £9 per visit (Source: Cabinet Office Performance and Innovations Unit 2001).

1.8 At present Taunton Deane is in the top quartile of all English district councils for service satisfaction. We have remained at a consistent level at a time when the average performance of district councils across the country fell by 12%. We cannot become complacent. There are two key elements which contribute to this level of satisfaction:

- the standard of customer service;
- how well informed people feel about the Council and its services.

Our approach to customers is, therefore, fundamental.

1.9 The work currently being done on the Joint Venture initiative (known as Integrated Services in Somerset or ISiS) is fundamentally linked to Customer Access:

- ISiS is an approach to enabling the delivery of our customer access aspirations by releasing resources from back office, support services and transactional services.
- ISiS will require the partners to have a single, combined Customer Access Strategy. This will mean that our Strategy and Somerset County Council's Strategy should be aligned comfortably as the project develops. Perhaps unsurprisingly the broad messages of the County Council's recently adopted strategy and our own draft strategy do align fairly well, though work will be needed to fully integrate them.

2.0 Our Aspirations for Customer Access

- 2.1 If we are to move forward and improve our customer relationships we need to have a clear picture of where we want to be. All of our decisions can then be made with this long-term outcome clearly in mind.
- 2.2 Our aspirations, which are developed below, have been informed by the results of a number of previous customer surveys. Members have been involved through an informal Executive discussion and a workshop at the July 2005 Review Board meeting. Staff, managers and CMT have also been involved. Customers have not yet been directly consulted on the proposals, but extensive consultation will need to take place as our aspirations are developed into reality.
- 2.3 The consultation with Members and staff revealed a number of key themes – a fuller summary is at Appendix A:

2.3.1 Service Delivery

There are many services that we deliver well either individually or in partnership. We need to ensure that our partnerships are delivering the outcomes we want.

In some areas customers are directly involved in service improvement – this should become the norm for both front line and support services.

2.3.2 Access

Customers already have a variety of access options, and our website is recognised as one of the best. We know, however, that our website will become an increasingly important way of delivering services and we must, therefore, continue to improve it

2.3.3 Staff

Our staff are seen as hardworking, loyal, friendly, approachable and willing to help

2.3.4 There are areas that we know we need to improve

Closer working with Somerset County Council – our Customers often do not know, or care, that we are separate organisations. We should be more joined up in our service delivery

We need to improve our response times to written and telephone communications.

We need to become more people based, and put the customer at the forefront of everything we do

We need to ensure our staff are highly trained in customer service and well motivated to deliver excellence

We will never have enough resources, so we must prioritise and in doing so, we need to help customers have realistic expectations of what we are able to deliver. This means that we need to be clear on our priorities and communicate them well.

We need to ensure services are delivered, whether directly by us or through our partners, at the point where they are needed – leading to localised and personal service provision. We need to acknowledge that we live in a rural community and need to ensure services are accessible to all, considering options including video conferencing and rural surgeries.

We need to be clear on what our customers really want from us, and not make our own assumptions about what we think they want

An overriding message is to be clear about what we want to do, and then do it.

3.0 **What do we want our service delivery to look like in the future?**

3.1 Our Key Aspiration is that:

**We will put the customer first.
Service delivery will be socially inclusive; defined and driven by
customers needs.**

3.2 In other words, we want nothing less than excellence in customer relationship management – and it is the customer who defines what excellence means.

3.3 Most organisations would probably subscribe to this aspiration, but few could deliver it. This is because it is all too easy to pay lip service to excellent customer service. Doing this properly means reaching and serving more people in more ways, in more places, and at more convenient times than ever before. It is about doing what we do very differently in the future.

3.4 In practice this means that we will:

- deliver services in the way customers want;
- offer multiple, fully integrated customer access alternatives;
- offer self service and facilitated service options;
- ensure direct service delivery is available within as many of our communities as possible, whilst maintaining Taunton as the cohesive centre, with Wellington as the main sub centre;
- ensure that service delivery decisions are taken as close to the customer as possible. This means empowering front line staff to become leaders of change;
- aim to continuously improve the quality, effectiveness and efficiency of services to deliver ongoing increased customer satisfaction;

- ensure social inclusiveness in service delivery;
- ensure that our communications compliment and contribute to improvements in service delivery. We will use communications facilities to promote our customers access strategy. We will ensure our customers are fully involved in the development of our plans and kept fully informed as this progresses.
- ensure that we organise ourselves and our services around the needs of the customer, not necessarily around our needs;
- ensure that customers do not need to know which level of local government provides the service they require, by providing seamless, joined up access with Somerset County Council and any other partners.

3.5 We want to achieve our aspirations in a context of redirecting rather than increasing resources.

4.0 What could this look like?

4.1 It is important to look at this issue from the customer perspective – how will the customer recognise that our aspirations are taking hold and affecting our service delivery?

4.2 Specific improvements that we can expect to realise include:

- Increased choice for customers in the way they can access our services
- Improved customer service including:
 - Greater consistency of service
 - Greater competency and accuracy
 - Higher standards of service
 - Improved efficiency and faster service delivery.
 - Reduced waiting times
 - Higher percentage of service requests resolved at the first point of contact and
 - Friendlier more customer-focused staff who are able to effectively empathise with customers, understand their service needs, prioritise their problems and deliver services exceeding their expectations
 - Increased recognition of rights and needs in terms of service delivery consistent with our commitment to the Equalities agenda
- Improved customer satisfaction including:
 - An improved knowledge about and perception of the Council
 - High levels of satisfaction with public services.
- Reduced cost of delivering services:

- Greater use of, and investment in, technology
 - Less administration
 - Economies of scale and
 - Freeing up the time of specialist staff to focus on value-add activities.
- Enabling greater public access to information without waiting for a complete process reengineering in the back office
 - Improved communications with our customers, including helping customers to use the most appropriate access channels
 - Significant contribution to the achievement of BV 157, electronic government targets
 - Better management of information at all levels
 - Improved staff satisfaction by providing staff with:
 - The opportunity and tools to fully resolve customer enquiries
 - New and improved opportunities for development, progression and job satisfaction.
 - Improved relationships with stakeholders and other Partner organisations.

5.0 In practice this will mean a number of things for the Council:

5.1 The development of a single customer services organisation for the public to access our services. This will be responsible for managing the implementation and operation of all Customer Access facilities, organising and rolling out service centres to offer face-to-face services, the contact centre for telephone services, and web presence to provide a self-service option. It will also be responsible for providing a plan and road map for operating the facilities, driving significant improvements in the quality and cost of delivery, and improving customer satisfaction. If the Council decides to become part of the Joint Venture with Somerset County Council, this would be a single operation within the new organisation.

5.2 A radical transformation programme that ensures that administrative processes, organisation, management philosophy, customer involvement and staff development will achieve excellence in customer service. This approach will lead to:

- Elevation of customer service within the Council to clearly focus attention on this as the pre-eminent theme and driver across the organisation
- A customer service ethic from 'within' the organisation that helps set the standard for service to the public

- A new definition of leadership and more visible emphasis placed on customer service excellence outcomes throughout all levels of the Council. This can be developed alongside the work on defining our core values.
 - Managers will be responsible for ensuring that their staff are fully empowered to provide excellent services and have the necessary tools, training and other support needed.
 - Managers and staff will be recognised and rewarded for making improvements to customer service – even when the initiative is proved to be inappropriate – i.e. mistakes are allowed, if they stem from attempts to provide excellent service.
 - Decision making by front line staff at the coal face – these staff being encouraged to make decisions and pursue innovation in the pursuit of excellence in customer service.
 - Fewer middle managers - committed to innovation and business change - and truly empowered staff
 - A flatter organisation, with wider spans of control
- 5.3 Working with partners to provide physical, one-stop-shop service centres providing face-to-face services within reasonable proximity to all citizens. The service centres will provide customers with a quality environment operated by friendly and professional staff to handle a wide range of services on behalf of ourselves, the County Council and potentially other partners.
- 5.4 The corporate communications strategy will be updated to ensure it supports the customer focus ambitions of the Council.
- 5.5 A simple list of contact numbers for all Council services, answered through a multi-function contact centre that will grow incrementally to accommodate a team of service advisors focused on servicing the needs of customers.
- 5.6 A simple, interactive self-service access to an ever-growing list of services through an ever-growing set of electronic channels.
- 5.7 A consistent technology infrastructure and business architecture that supports these multiple customer access channels and ensures consistent customer service across channels, enabling customers to alternate their use of channels as wished or required for a single service experience.
- 6.0 **What Now?**
- 6.1 Our aspirations should inform and support the work being undertaken on the ISiS project. This initiative may be key to the delivery of significant elements of our aspirations. If we really want to progress towards delivering customer

excellence, however, we cannot simply wait for the Joint Venture initiative to begin to deliver results in 2 or 3 years time. It is important, therefore, to identify those areas that will complement this initiative and can and should be progressed. It is also important to recognise that delivery of our aspirations will need very firm leadership.

6.2 In working towards our aspirations a number of steps need to be taken:

1. Develop a set of core values that reflect the customer-focussed organisation we want to be.

Work is already advanced on developing our core values through the efforts of an existing project group. It will be important to ensure that the core values, once fully developed and agreed, are communicated clearly to all staff. Even more important will be ensuring that the values are fully understood, internalised and put into practice by everyone in TDBC to help bring about the significant culture change that will be necessary.

This work can and should continue to its conclusion outside the ISiS initiative, as it will help to establish our own identity and culture. This should then permeate all our services, not just those that might become part of a Joint Venture or any other partnership arrangements.

2. Consult customers on:

- the hours they want to contact us;
- how they want to contact us;
- where they want to have face-to-face contact;
- where they want remote access to services;
- the improvements they want to see made in customer access/service delivery.

Historically we have a good record of sound consultation with our customers, particularly in relation to the specific services provided and determining our priorities. In most areas, however, we have done relatively little to determine how and when customers want services delivered.

It is proposed that a project group comprising Members and officers is formed to drive forward this consultation. It is likely that this group will need to integrate with any consultation done by the ISiS initiative.

The results of this consultation should then be used to inform future developments in customer access.

3. Develop an ingrained culture of excellent customer service right across the Council through a radical programme of culture change. This will fundamentally change the way in which we manage the

relationships with our customers – delegating decision making as far as is possible and empowering front line staff to pursue excellence.

- 4. Review the management arrangements at all customer contact points** with a view to integrating all management through Customer Services, which will then enable the integration of our services so that the “one stop shop” principles are applied to all services at all customer contact points.

Through the Somerset Direct project we have made significant progress in the integration of our telephone service to customers. The aims for Customer Services include fully dealing with 80% of calls. This ensures that, wherever possible, the customers’ issue is resolved by the first person they speak to, and avoids the “being passed from pillar to post” scenario. Work needs to continue to bring remaining services into the customer services system and to continue the process of going “wider and deeper” with existing services.

We need to develop this capability to all services at all customer contact points, effectively giving the customer a “one stop shop” at each face to face transaction. This will require the integration of frontline reception facilities into a single management framework to ensure a consistency of delivery. Work has already begun on this with the integration of Benefits reception, The Deane House main reception and the Wellington Community Office into Customer Services. Other areas will be integrated as telephony services are brought fully into Customer Services.

In partnership, we will aim to provide a physical service centre within a reasonable drive/public transport time of 99% of the population. There will need to be different sizes of service centre, but all will provide direct access to the same excellent standard of customer service.

A three-tier structure for face-to-face service delivery through a network of service centres is the most logical solution:

The largest Service Centre - would be located within Taunton itself. A smaller, Local Service Centre - would be located in Wellington as a catchment area with a lower population. Finally a range of Service Outlets, possibly offering a more limited set of services based upon local needs, would be established in more rural areas or in specific urban communities in cooperation/partnership with a third party such as the County Council, post offices, or Citizens Advice Bureaux or other established community groups/facilities.

We will need to ensure that the premises we use to deliver face to face services are fit for purpose, in the right location and offer appropriate facilities to meet the needs of customers. It would also make sense to

work with Somerset County Council to ensure the best use of our respective premises within the Deane.

We should also look at when it is best to take the service to the customer rather than the other way around, and how peripatetic and mobile service delivery can help us to do this.

5. Ensure that technology supports and enhances customer access and service delivery.

Technology is one of the keys to making significant improvements to customer access, both through enabling the re-engineering of processes and through the specific application of tools customers can use such as the Internet, automated kiosks and Digital TV.

In some of these areas – Internet, e-mail and data imaging, for example – work continues to progress on improving what we already do. This work can and should continue alongside the ISiS initiative as it directly affects all of our services. The expanded use of the website and other self-service technologies (cash machines and kiosks etc) will be fundamental in the transformation of service outcomes and improving performance in service delivery. The improvements and consequent efficiency gains will, however, only be achieved if the technology is useful, usable and used appropriately. These should become our watchwords as we continue to develop our technological capabilities.

In other areas the ISiS initiative has the potential to radically improve our capability to deliver technological solutions. In particular, the provision of community based technology should be properly co-ordinated with Somerset County Council's provision in order to ensure joined up, effective and efficient service delivery. This, therefore, is an area where partnership working should be pursued, whilst ensuring that delivery is informed by clear consultation with customers.

6. Work with partners – particularly Somerset County Council - where possible to maximise resources and provide joined up services.

TDBC is already committed to a number of important partnership working arrangements, with more, such as in Building Control and Waste, being developed. The most significant partnership potential lies with the ISiS initiative, which will involve Somerset County Council, a private sector partner, and potentially other District Councils within Somerset. One of the key drivers for this partnership will be improved customer access delivered through process re-engineering, maximising economies of scale and realising efficiency gains.

7. Develop meaningful targets – so that our achievements towards customer excellence can be monitored and continually improved.

7.0 Without a Clean Sheet.....

7.1 Our aspirations would be much easier to achieve if we started with a clean sheet. The reality is that we are already involved in many issues which have a Customer Access impact and which could be affected by our aspirations and the potential for a Joint Venture to be established. It is important, therefore to take stock of what we are currently involved in and make decisions on what we should continue to do – because it brings us nearer to delivering our aspirations; and what we should cease to do – because it moves us away from them.

7.2 The proposals are:

- Customer Access Principles – clearly the list of initiatives below cannot be exhaustive. It is incumbent upon all managers and staff to use the basic principles established by our aspirations in assessing all current and potential projects;
- Digital television – currently low scale usage, no further development until such time as the potential for increased usage makes this economically and effectively viable;
- Somerset Online Portal – this is providing a useful electronic signpost for our web based and telephone services. This approach is now being adopted at National level as good practice. We should, therefore, continue to support the portal.
- Customer Relationship Management system (CRM) – a key aim of the CRM has been to provide a single customer database, which will finally enable a customer's records to be linked. This is expected to be achieved in the version of the CRM that is currently being tested before full installation.
- Taunton Deane Web Site – recently praised as one of the best in the Country. We know that this can be improved and work should continue on developing and enhancing the website, particularly through the use of Sharepoint. Serious efforts to be made to ensure the accuracy and timeliness of information on the website.
- Customer Services/Somerset Direct – continue to develop the service as planned, though we will need to be much firmer about how we resource this.
- Customer Complaints and Compliments System – currently under review. This review should continue with the aim of simplifying the complaints process for the customer.

- Electronic Document & Records Management – we need to develop a corporate plan for progress. Until this is developed, no new areas to be launched, though we should continue to archive paper documents and develop workflow methods where we have already started. We should also evaluate the pilot schemes in Parking Services and invoicing to influence the way forward.
- Financial Management System (FMS) – we know that our FMS is creaking and needs replacement. A project to procure a new system has been put on hold during the development of the ISiS initiative as it is anticipated that any future Joint Venture organisation would probably provide such a system. The procurement should remain on hold, though work being done on improving processes should continue.
- Revenues and Benefits system – a procurement project is ongoing aimed at replacing the in-house Revenues and Benefits system by March 2006. This project is 2/3rds funded by the government and this funding will be withdrawn if the project is not completed by 31st March 2006. To avoid the loss of significant external funding, this project should continue.

Kevin Toller
Head of Corporate Services
August 2005

Summary of Outcomes of the Members and Staff Consultations

There are many areas where we believe we already deliver well

Many of our specific services were identified as providing a good or excellent service.

Our website is recognised as one of the best - but we know we can improve it particularly to ensure that more transactions can be completed online without customers having to use a further access option to complete their transaction.

We provide a range of access options, and need to ensure that those without IT access can still receive service from us.

Our staff – most of whom are seen as hardworking, loyal and willing to help

The way in which we answer telephones (though not the speed of doing so)

We consult well, and respect the outcomes of our consultations

We work well with our partners – but need to work to ensure the partnerships deliver outcomes we want

We make it easy for customers to pay us by phone and online

In some areas customers are directly involved in service improvement – this should become the norm

We see ourselves as friendly and approachable

We have a great deal of expertise

There are areas that we know we need to improve

We do not always deliver on our promises and targets (though we recognise that our target are not always achievable)

Our premises can be daunting and impersonal

We do not promote our services well

We are not always available/open when customers want us

We are not good at sharing good practice and lessons learned

We use too much jargon

We expect customers to come to us

We need to ensure that the equipment we use is both up to date and fit for purpose

We need to reduce telephone queuing

We need to improve our response times to written communications

Closer working with Somerset County Council – our Customers often do not know, or care, that we are separate organisations. We should be more joined up in our service delivery

We need to ensure our staff are highly trained in customer service and well motivated to deliver excellence

We need clear goals and focussed leadership to achieve them

We need to improve our links with the community and our customers

Delegation of responsibilities needs to be clear and properly managed

We need to improve both our internal and external communications

We need to reduce absenteeism

We need to become more people based, and put the customer at the forefront of everything we do

We need to deliver services at the point where they are needed – leading to localised and personal service provision

We need to reduce staff turnover in both customer service and specialist staff

We will never have enough resources, so we must prioritise

We need to help customers have realistic expectations of what we are able to deliver

We need to be more active in identifying and using best practice from elsewhere

Parking for customers is limited

We need to acknowledge that we live in a rural community and need to ensure services are accessible to all, considering options including video conferencing and rural surgeries.

We need to be clear on what our customers really want from us, and not make our own assumptions about what we think they want

We need to celebrate our successes and good practice

Decision-making can be far removed from the customer interface

We need to be consistent in our customer service standards

We need to review our achievements and learn from our mistakes

Our principle should be getting it right first time

We need to focus on outcomes rather than processes

Our services need to be more joined up; the silos need to be broken down

We need to be more efficient

We need to become more proactive and stop fire fighting

We need to ensure that our work and resources are targeted towards achieving our objectives so that we deliver on those areas that we need to

We saw others providing excellent customer service which meant:

They promoted themselves well

They went that little bit further

They listened with interest, patience and empathy

They took a pride in their work, service or product

The staff used their initiative and took responsibility

They were always civil and courteous

They invested

There was a “human touch” – customers are treated as individuals

Reception staff who had the authority to make decisions

They were easy to access at the time required

Their websites are clear, easy to use and up to date

The services are transparent – there are no hidden extra costs or details

As a minimum, they do what they say they will do.

The staff are able to deal with the problem, are knowledgeable and give correct advice

An overriding message was to be clear about what we want to do, and then do it.

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 24 AUGUST 2005

**Report of Strategic Director (Shirlene Adam)
(This matter is the responsibility of Executive Councillor T Hall)**

JOINT VENTURE ARRANGEMENTS FOR CORPORATE SERVICES OUTLINE BUSINESS CASE – DRAFT 3

EXECUTIVE SUMMARY

This report builds on the first two drafts of the Outline Business Case previously presented to the Executive on 22 June and 20 July 2005. It concludes the initial thinking about which services are proposed to be “in scope”, and outlines the financial case to support the overall business case. It needs to be considered alongside our emerging customer strategy; also to be discussed by the Executive in this cycle. A further report setting out Taunton Deane Borough Council’s and Somerset County Council’s joint vision and ambitions for the project will be presented to the Executive on 5 September 2005.

1. Purpose of the Report

- 1.1 This report provides an update on the work carried out since 20 July 2005 on the future direction of the Council in respect of:
- Customer Access to services and service improvement;
 - Corporate and transactional Services (including Revenues and Housing Benefits).
- 1.2 The Executive is asked to:
- a. Note the further progress made with work on a potential Joint Venture arrangement for the services outlined above;
 - b. Note Draft 3 of the Outline Business Case for the Joint Venture option, which is appended to this report (this includes affordability modelling);
 - c. Consider this report alongside the Council’s proposed Customer Access Strategy, also being reported in this cycle;
 - d. Agree to progress with the Procurement Process to secure a private sector partner for this proposed Joint Venture partnership.

2. Background

- 2.1 At its last meeting on 20 July, the Executive considered a report from Shirlene Adam, Strategic Director that set out the second draft of an

Outline Business Case to support a potential Joint Venture for Corporate Services, in partnership with the County Council and a private sector partner. Draft 1 was presented to the Executive on 22 June. The Outline Business Case presented to date highlights the need and discusses the potential for reconfiguring the way we provide our customer services, and our corporate support and transactional services.

- 2.2 The key strategic and business drivers behind this proposed partnership are set out in the Outline Business Case. The Executive to date has agreed in principle to further progress the work of the Project.

3. Progress Update

- 3.1 Since 20 July, further significant progress has been made to take the work of the potential Joint Venture arrangement forward.

- i. The Officer Steering Group has concluded its work to determine which services should be “in scope” (see Appendix 5);
- ii. The Governance and Project Management arrangements agreed with the County Council are in place and working well;
- iii. The Strategic Director responsible for this project has held a number of further staff briefing sessions, which have been well attended;
- iv. A communications action plan has been implemented, including publication of the first “Briefing” update and the establishment of a Staff Consultation Group;
- v. CMT has endorsed the risk management register produced by the Steering Group;
- vi. Work has been undertaken to produce outline costings for the proposed model of a Joint Venture arrangement;
- vii. Work has similarly been undertaken to produce outline costings for the different business models discussed in Draft 1, that could also potentially achieve the business objectives the Council has specified.

4. Affordability

- 4.1 Submission of Draft 3 is the point when the Executive needs to decide whether the overall business case is robust enough to go ahead with the procurement process to select the private sector partner. Accordingly, a key aspect of this Draft 3 paper is the outline financial case to support the overall business case. Essentially this financial outline summarises what the “in scope” services are costing us now, what the projected (or preferred) future services profile is likely to cost over the life of the contract, and whether our future ambitions are affordable.

- 4.2 Also included in Draft 3 is the estimated cost of procuring external legal and financial advice for the project.

- 4.3 It is important to understand that at this stage it is not possible to produce a fully costed or detailed financial plan. Precise costings will only emerge when potential suppliers begin to set out what can be provided, and how they intend to provide it. If the Executive agrees to go ahead with the procurement process, expressions of interest will be submitted by the end of November followed by a further period for negotiations with shortlisted suppliers between January and March 2006. It is only at this stage that a more accurately costed model will emerge.
- 4.4 The model itself is a complex matrix comprising a number of different variables. In these very early stages of the project, no information is yet available about prospective private sector partners so the financial model has to be based on a set of working assumptions. These assumptions are set out in more detail in the Business Case itself. Advice has been received from the “4Ps” to ensure the robustness of this process, and to ensure that the set of assumptions used is both reasonable and realistic.
- 4.5 It will also not be possible at this current stage of the project to second guess what our emerging customer access strategy is likely to cost. For these reasons, the financial case submitted in the OBC can at this stage only be an outline summary of the projected net benefits to be gained from the partnership and an outline summary costing each of the respective business models.

5. Extent of TDBC commitment at this stage

- 5.1 It is important to understand that starting the procurement process will not commit TDBC to this project irrevocably - the projected contract award would not itself take place until October 2006. If the ensuing procurement process does not produce a partner that suits TDBC’s specifications and requirements then we will reconsider our position in the partnership.

6. New information in Outline Business Case (Draft 3)

- 6.1 For ease – the following table lists the “new issues” in Draft 3 of the OBC.

Section 2.7	Joint visioning between TDBC and SCC
Section 4.2.2	“Better for less”
Section 5.9	Options appraisal
Section 6.2	Attractiveness to market
Section 8.2- 8.4	Affordability
Section 8.5	External advisers – funding requirements
Section 9.*	Project Scope
Section 10.5	Communications
Section 10.6	Staff Consultation Group
Section 12.1	Risk Management
Section 13.1	Members Advisory Panel
Section 14	Next steps

7. Recommendations

7.1 The Executive is requested to:-

- i. Consider the attached Outline Business Case (Draft 3) for the potential Joint Venture arrangement (Appendix 1), and in particular note the affordability model work in Section 8 which sets out the comparative financial cases for all the business model options.
- ii. Approve the continuation of the ISiS Project and to recommend to Full Council (Special Meeting on 5th September 2005) to approve a supplementary estimate from General Fund Reserves of £120k to fund the costs of the external advisors to the next phase of this project.
- iii. Approve the involvement of Taunton Deane Borough Council in the procurement process to seek a private sector partner.
- iv. Request Officers to continue to develop a “joint vision and ambitions statement” with Somerset County Council – for consideration by the Special Executive and Special Council meetings on 5th September 2005.

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Background Papers:-

Executive 24 May 2005 – “Joint Venture Arrangements For Corporate Services”

Executive 22 June 2005 – “Joint Venture Arrangements For Corporate Services”

Executive 20 July 2005 - “Joint Venture Arrangements for Corporate Services”

APPENDIX 1

TAUNTON DEANE BOROUGH COUNCIL

OUTLINE BUSINESS CASE

**STRATEGIC PARTNERING
(JOINT VENTURE PROJECT)**

Draft 3

August 2005

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1. OVERVIEW

- 1.1 The main purpose of this Outline Business Case (OBC) is to set out the business need for the proposed Joint Venture partnering project, and to identify any investment in resources necessary to progress the project. It will also serve as a basis, if appropriate, to develop a more detailed Business Case if the project progresses further.
- 1.2 For clarity, a Strategic Service Partnership is a long-term partnership between organisations that work collaboratively to achieve their respective strategic aims and objectives for delivering services (more commonly known as a Joint Venture).
- 1.3 This OBC is written as a “living” document in that it will continually be updated as new information and data becomes available over the life of the programme.
- 1.4 This OBC relates to Taunton Deane Borough Council although it should be noted that this is a collaborative programme between TDBC and Somerset County Council; consequently there are references at appropriate points in the document to joint strategies and joint outcomes.
- 1.5 Each council is producing its own outline business case for approval by the respective Executives. The benefits of working together are that we will be building on a sound base (under CPA rating Taunton Deane are an ‘excellent’ council and Somerset County Council are ‘good’) to develop a joint customer access strategy and plan, maximize economies of scale and provide opportunities for business growth.
- 1.6 Draft 3 of the OBC builds on the foundations set out in the Exec reports of June and July 2005, and, in particular, sets out new information on the following areas:-

Section 2.7	Joint Visioning Between TDBC and SCC
Section 4.2.2	“Better for less”
Section 5.9	Options appraisal
Section 6.2	Attractiveness to market
Section 8	Affordability
Section 8.5	External advisers
Section 9	Project Scope
Section 10.5	Communications
Section 10.6	Staff Consultation /Group
Section 12.1	Risk Management
Section 14	Next Steps

1.7 This final version of the OBC will trigger the decision to proceed / not proceed in the joint European Procurement exercise for a Strategic Partner with SCC.

2. STRATEGIC CASE FOR CHANGE

2.1 Customer Focussed Service Delivery

2.1.1 Service improvement has been, and continues to be, high on TDBC's agenda. Although the council has been assessed as "Excellent" through the CPA process, performance is not just about a package of services being delivered in a timely fashion – it is also about the way in which those services can be accessed, the manner in which they are delivered and the quality of the interaction between the customer and the council.

2.1.2 Even "high performing" councils can improve service quality and subsequent public satisfaction with council services. At TDBC, there is still room for improvement and we cannot be complacent and rest on our laurels on the back of our CPA outcome. **We may have a two-tier local government structure in Somerset, but we do not have a two tier community.**

2.1.3 Whilst the development of Local Strategic Partnerships is beginning to define our joint agency priorities and define the areas of service to be delivered, it has not yet translated into changing the way we deliver the services that address these priorities.

2.1.4 To ensure we continue to improve our services, we are determined to rethink the way people experience our services – which means customer-facing services being configured in a way which meets the needs of the service recipients – not simply delivering services in ways that are convenient for local government organisations.
Transforming the customer experience is one of the key strategic objectives of our partnership initiative.

2.2 Efficiency & Value for Money To Our Taxpayers

2.2.1 Economy and efficiency in public service delivery is, and will continue to be, high on the Government's agenda. The Gershon report and the requirement to produce an Annual Efficiency Statement are pushing local authorities to review provision across the whole spectrum of local government services. A number of other targets including E-Government and the National Procurement Strategy are also driving local government to deliver efficiencies. Nine regional Centres of Excellence have been established across England to support authorities and monitor progress and the CPA process will include an assessment of performance against planned efficiencies.

2.2.2 Whilst TDBC is confident that the 05/06 target efficiencies of £400k can be met without affecting service quality, it will not be possible to continually meet this target in subsequent years without a radical review of service delivery. Even if we achieve a balanced budget this year without any support services becoming too small to operate effectively, we cannot continue to achieve this year on year.

Providing better value to council tax payers is a key objective of our partnership initiative.

2.3 Organisational Capacity

2.3.1 Excellent authorities are those which are able to anticipate change, and operate flexibly and proactively for the benefit of both their customers and their employees.

2.3.2 Significant changes have taken place in the role and remit of local government over the last few years. We are now able to use resources in a way which benefit the environmental, social and economic wellbeing of our communities, we are required to work in partnership with other agencies to deliver key services and we have a strengthened role in community leadership. In short, the expectation is that local government will function in an increasingly sophisticated fashion, that service delivery will be delivered seamlessly to take into account complex individual needs and that the majority of council activity will require multi-functional / multi-agency solutions.

2.3.3 Whilst the Gershon agenda is likely to increase pressure on two tier structures to share in economies of scale, evidence of improvements in “stand alone” integration of service access and delivery are proving elusive. Although, through partnership working with other Districts and with the County Council we try to eliminate the perceived (and real) inefficiencies experienced by customers, we must recognise that further reform is likely. The challenge is to develop an organisation that is fit to face the challenges we currently know about, and fleet footed enough to embrace those we don't.

2.3.4 This means having a workforce which is resourceful and multiskilled and which is familiar with modern work practices and partnership working. It also means providing a work environment that supports multi-agency working and flatter, more flexible structures.

2.4 Workforce Capacity

2.4.1 The quality of service experienced by our customers is dependent on the skills, ability and motivation of employees. Workforce profiles show a large proportion of TDBC employees nearing retirement and a shortfall of adequately trained, high calibre replacements. Whilst we are planning

recruitment and succession planning strategies, we face an enormous challenge in combating the effects of an ageing staff population.

2.4.2 Like many other public sector employers in largely rural settings, TDBC faces a significant challenge in developing its workforce to mitigate the effects of this. Added to this, the corporate services provided by the Council are not necessarily of the optimum size and in addition we duplicate some services provided locally by other authorities.

2.4.3 Structures, processes and management hierarchies often get in the way of excellence in service delivery, and can also disempower staff. Most employees want to deliver excellent services and it is the responsibility of managers and leaders to ensure that they are able to do so. The transformation of services mentioned above will depend to a large extent on the ability of the council to “clear the way” and act as enablers for staff to do their best for our customers.

A key objective for the council is to empower and equip staff to deliver excellent services – affording individuals development, employment opportunities and career paths which enhance their job satisfaction and future employment options. The development of a strategic partnership is seen a key strand in delivering this objective - a bigger pool of staff creates more scope to develop expertise and to offer greater career development opportunities.

2.5 Business Need For Change

2.5.1 If this council has already been assessed as Excellent then why the need to suggest a significant reconfiguration of support services? And, in introducing a change is there a danger of interfering with something that works reasonably efficiently now?

2.5.2 Last year, budget pressures led to resources being cut from front line services. These front line services now operate at the minimum possible resource levels to ensure we still provide high quality and it has been made plain that it is not acceptable to further reduce resources in these areas.

2.5.3 It is true to say we could choose to leave the organisation of our corporate services as they are, and simply switch the budgetary focus to these areas but inevitably this will mean budget reduction targets for most if not all of these services. Traditionally this has been managed in a “salami slicing” way by paring back individual support budgets, resulting in each service affected having to either reduce running costs or lose staff. We believe we have already exhausted most means of reducing running costs, leaving the reductions to be achieved mainly through losing jobs. It is inevitable that this will have a detrimental effect on the quality of service provided,

with some services (particularly those which are smaller in scale) suffering more than others to the point where the service becomes inoperable.

2.5.4 Across Somerset, all 6 local authorities face these same business pressures. 6 organisations provide services to local people, with 6 accompanying sets of “back office “ functions to support these services. It is inevitable therefore that there will be some replication, and potentially duplication of the systems and processes that support these back office functions. In the light of the business pressures described above, the need for change becomes inescapable particularly when viewed from a customer viewpoint.

A key objective for the Council is to deliver integrated support and transactional services which meet the exact needs of our customers and the “front line” services that provide them.

2.5.5 **Assessment of current capacity**

We are realistic and honest enough to recognize that we have neither the capacity in our organisation, nor the specific skills needed to bring about such a business transformation and that we need an external partner for this.

A key strategic objective for the council - and one in which the partnership will play a key role - is the development of a modern organisation which is able to respond flexibly and change its ways of working to meet future challenges and changing needs.

2.6 **Why do this now?**

2.6.1 Questions have been raised about why the Council should wish to do this now, given our “Excellent” status and in view of the absence of other District councils in the venture. The key issues are that:-

- Founder partners of any Joint Venture arrangement will be entitled to a “Golden Share” in the new organisation which will not necessarily be available to any subsequent joiners;
- Late joiners are unlikely to have the same degree of influence and control as founder partners will. They may be service “purchasers” only, certainly they will have had no control over terms of entry into the partnership and little influence over its design, management and operation;
- Founder partners will have control over the inception of the partnership, which in itself will ensure better opportunities for staff;
- Under the national procurement strategy, district councils are required to look seriously into collaborative arrangements for providing services.

2.7 Joint visioning between TDBC and the County Council

- 2.7.1 Whilst it is crucial that each organisation's business case stands up to scrutiny on its own merits, it is also crucial that we both have the same vision and expectations about what the Joint Venture will achieve. Work has already taken place with the two senior management teams to clarify and agree our objectives, assisted by the 4Ps. Further work has since taken place during August to refine our objectives and agree the joint ambitions and outcomes we are seeking to achieve. This work will be presented to the Executive on 5 September.

3. FINANCIAL CASE FOR CHANGE

- 3.1 This Council is currently in a relatively healthy financial position. General Fund Reserves sit at £1.3m, and excellent services are being delivered within a balanced budget. Despite the increasingly difficult central government funding regime, increases in council tax and cuts to front-line services have been kept to a minimum, and resources have been refocused to ensure corporate priorities are delivered.
- 3.2 However, the Gershon agenda requires local authorities to deliver "efficiency savings" of 2.5% on their budgets each year. This is a new requirement – on top of producing a balanced budget based on challenging financial settlements.
- 3.3 Looking forward, our financial planning model predicts this "funding gap" will continue, and indeed grow. There will come a point in time when it is no longer possible to continue to deliver excellent services, and keep council tax increases low, and avoid serious front-line service cuts. Taunton Deane Borough Council is almost certainly approaching this point – particularly bearing in mind our ambitious improvement programme around Customer Access and Community Planning.
- 3.4 This council has no wish to see our excellent services gradually diminish over the coming years – or accept us not delivering on the Customer Access improvements. Equally it is unlikely that the public will be willing to accept large increases in council tax bills to pay to keep these excellent services.
- 3.5 Central government, in its Gershon review has issued some outline guidance on how local authorities should tackle this funding problem. The guidance suggests that authorities should look to reduce the cost of support services in order to continue to fund front-line services. Local authorities should be streamlining back-office functions as well as reducing transaction costs by introducing modern technology.

3.6 Taunton Deane Borough Council has made some progress towards this by:-

- authorising the procurement of new systems for Revenues and Benefits;
- authorising the procurement of a new Financial Management System.
- Implementing some e-govt projects (scanning, web services).
- Creation of the Internal Audit Partnership.
- Introduction of DIP in Revenues and Benefits

3.7 It is clear that it is necessary to go much further. We need to be much more customer focused in our service delivery, we have to reduce duplication by the joining up of services, and we need to work with other authorities where efficiencies can be made. All of this will require significant skills in business re-engineering and investment in best of breed technology. If we are to take this seriously, we will need some help in delivering this - Taunton Deane does not currently possess the experience, skills, capacity or resources to deliver this level of strategic change on its own.

4. PROJECT OBJECTIVES

4.1 CUSTOMER ACCESS STRATEGY

4.1.1 The Audit Commission has set criteria on achieving excellence in customer access. These relate to ensuring that citizens have choice, convenience and control in accessing services from the Council. The Commission identifies the following context for customer access:

- Services should be easy to access;
- Services should be supported by technology that is appropriate to meet customer needs;
- The Council should respond to customer feedback and complaints to improve service quality and access to services;
- The Council should use partnership working with neighbouring Councils, organisations and businesses to continually improve access to services;
- Council service should focus on the whole community;
- Council services must ensure equality of access and take proper account of equality and diversity of all service users.

4.1.2 A Customer Access Strategy is being developed through consultation with Members and staff at present and is focusing on where the organisation will position itself for the future in relation to Customer Access. A key part of the strategy is the developing Action Plan for how we achieve the outcomes we desire.

4.1.3 The Review Board considered the Draft Strategy on 4th August, which now comes before the Executive on 24th August.

4.1.4 Delivering excellence in customer access properly means reaching and serving more people in more ways, in more places, and at more convenient times than ever before. It is about doing what we do very differently in the future. It must address the fact that although we have two-tier local government in Somerset, we do not have a two-tier community. In practice this should mean that we will:

- deliver services in the way customers want;
- offer multiple, fully integrated customer access alternatives;
- offer self service and facilitated service options;
- ensure direct service delivery is available within as many of our communities as possible, whilst maintaining Taunton as the cohesive centre, with Wellington as the main sub centre;
- ensure that service delivery decisions are taken as close to the customer as possible. This means empowering front line staff to become leaders of change;
- aim to continuously improve the quality, effectiveness and efficiency of services to deliver ongoing increased customer satisfaction;
- ensure social inclusiveness in service delivery;
- ensure that we organise ourselves and our services around the needs of the customer, not necessarily around our needs;
- ensure that customers do not need to know which level of local government provides the service they require, by providing seamless, joined up access with Somerset County Council and any other partners.

4.1.5 At present, it is clear that to achieve any consistent form of excellence in customer service will require significant changes within the Council. These changes are likely to revolve around:

- Radical culture change
- Significant staff training
- Detailed consultation involving customers in service redesign
- Significant service redesign
- Breaking down silos both within the Council and between us and the County Council and other partners
- A thorough review of our front line service delivery, focusing in particular on when, where and how we deliver to customers. It is likely that some key properties will become surplus to requirements and other, more appropriate property will be needed. It will be vital to undertake a review of property requirements jointly with Somerset County Council and other partners

- Increasing the efficiency and effectiveness of our services to enable resources to be redirected towards excellent service delivery

4.1.6 If we are to achieve ambitious aims in this area, significant skills and resources will be needed. Hence the need to release resources from the “back-office” to deliver on our ambitions for the “front-office”.

4.2 “BETTER FOR LESS”

4.2.1 A specific aim of this project is to deliver “better for less”. Our aspiration is that this project will provide an improved service for customers that can be quantified in measurable terms, and will make a significant contribution to Gershon efficiency savings targets for 06/07, 07/08 and beyond.

4.2.2 The following table sets out some draft objectives that are specific to this project. The measures and critical success factors will be further developed and refined over the coming weeks.

Objective	The End Goal	The Culture
To improve access to and delivery of customer-facing services	<ul style="list-style-type: none"> • Customers experience real excellence in both access to and provision of service, through ways which best meet their needs • Customers have a choice with most services being accessed through the local front office • Customers experience excellence through local “hubs” – eg village halls / “clubhouse” model 	<ul style="list-style-type: none"> • Customer driven and customer focused (not inward looking) • We get it right first time
To modernise, reduce the cost of and improve corporate, transactional and support services	<ul style="list-style-type: none"> • Integrated support services and transactional services which meet the precise needs of front line services and represent Industry best practice across whole organisation - “Better for less” 	<ul style="list-style-type: none"> • Flexible (not bureaucratic)
To help modernise and transform the overall workings of Taunton Deane Borough Council and the County Council	<ul style="list-style-type: none"> • A refreshingly modern organisation that puts the needs of customers first and delivers services in the most effective way • A market leader partner 	<ul style="list-style-type: none"> • Externally focussed, (not service led); • Innovative and challenging • Accessible and flexible • National /International reputation • A UK HQ?
To invest in new world class technologies to improve productivity	<ul style="list-style-type: none"> • Open new markets • Investment in: <ul style="list-style-type: none"> ➢ £££s ➢ People <ul style="list-style-type: none"> ○ Skills ○ BPR ➢ ICT ➢ Buildings 	<ul style="list-style-type: none"> • Able to diversify and expand

To create an excellent working environment and a more sustainable employment future for staff	<ul style="list-style-type: none"> • A Somerset business centre based in Taunton Deane providing excellent support services to public authorities in Somerset and across the Region 	<ul style="list-style-type: none"> • The best employer around (not just the local choice)
To generate economic development by attracting a partner willing to invest in Somerset	<ul style="list-style-type: none"> • Economic regeneration, investment and employment opportunities 	

5. OPTIONS APPRAISAL

5.1 It is clear that we will need to make some significant changes if we are to achieve our objectives, meet the challenges described earlier and implement our customer access strategy. The next question is the choice of method we might adopt to achieve this change.

5.1.2 Options appraisals identify and appraise a range of options that will deliver the service changes and outputs required. The aim of the options appraisal is to determine the option(s) that best meet our objectives and drivers (eg improved customer access), and which delivers Best Value. Options appraisal is therefore a critical part of the business case analysis and will firstly focus on the possible service delivery models and secondly on the procurement options.

5.1.3 Having discussed and received guidance from government departments and other local authorities that have already studied the options, the following long list of potential service delivery models was identified.

5.2 Potential Delivery Models

Model	Description
1. Status Quo (In house)	The do nothing or do minimum option – the Council continues to provide corporate services directly with no external support. Infrastructure, such as IT, is generally seen as reactive to the demands of different stakeholders. Investment and prioritisation for a more corporate approach is difficult to secure.
2. In house with Consultancy (In sourcing)	The Council continues to provide services in house but with the support of external service providers whether in the private sector or public sector to offer skills and capacity not available within the authority. This is often linked to IT infrastructure with the supplier providing on going support and consultancy, especially in terms of system integration

Model	Description
3. Public sector consortium	<p>The local authority and one or more other local or public authorities join together to effect service delivery of some or all of their activities. The arrangement may involve pooling of budgets and functions and the sharing of technology, staff and accommodation.</p> <p>There are a number of options for co-ordination of resources including:</p> <ul style="list-style-type: none"> • A partnership board • A Joint Committee • A non profit distribution entity • A profit distribution entity <p>This model can act as a precursor to private sector partnering or outsourcing</p>
4. Joint venture	<p>'Joint venture' describes a range of different commercial arrangements between two or more separate entities. This model is increasingly becoming a common feature of modern day business practice by enabling parties to work together, utilising the collective pool of assets whether tangible or intangible in pursuit of complementary objectives and the delivery of a successful business venture.</p> <p>Generally it involves a local authority entering into a joint venture with a private sector partner(s) to facilitate the provision or delivery of services, investment or development. Joint venture companies can be controlled by the private sector, the local authority or have no absolute control.</p>
5. Community Interest Company	This is a new company structure available from April 2005. The main criteria for formation of such a

	company is that it must pursue purposes beneficial to the community and will not serve an unduly restricted group of beneficiaries. It does not have benefit of charitable status and has no special tax status. It can be limited by shares, by guarantee, or be a plc but in all cases the assets must be used for the benefit of the community.
6. Partnering Contract	An outsourcing contract entered into between the local authority and a private sector partner which builds on the experience and lessons of conventional externalisation– the nature of the contract envisages a collaborative role between the Council and the private sector partner in relation to the discharge of the private sector partner’s obligations under the contract. The partners jointly agree on the service requirements and share the risk and rewards of any service improvements and/or efficiencies through price performance arrangements.
7. Externalisation/Outsourcing	In this model the Council will contract with a private or voluntary service provider to provide certain services in place of the local authority. This type of contract generally involves a total transfer of the service provision to the service provider. The service provider will secure access to or acquire whatever assets from the Council that are required to provide the services which would include employees who would transfer under TUPE regulations. The Council would retain a client role for contract management and performance monitoring with a limited number of staff.

5.3 Benefits Analysis

The respective advantages and disadvantages of the models described above are evaluated by the options evaluation matrix below which assesses each **option against key critical success factors**.

Business Model	Culture Change	Service Redesign and Delivery	Investment in Technology	Improved Services at Lower Cost	Economies of Scale	Improved Staff Satisfaction
Status Quo	X	X	X	x	x	x
In sourcing	X	✓	X	?	x	?
Public Sector Consortium	X	✓	X	✓	✓	✓

Joint Venture	✓	✓	✓	✓	✓	✓
Community Interest Company	X	X	X	x	x	?
Partnership	✓	✓	✓	✓	✓	✓
Outsourcing	?	✓	✓	✓	?	?

5.4 Early consideration of these models resulted in the view that broadly there are 4 options open to the council:

- Status Quo - do nothing
- Transforming services ourselves
- Externalisation
- Joint Venture

The reasons for this broad view are set out below.

5.5 Firstly, the strategic, business and financial cases described in paras 2-4 above clearly set out why maintaining the status quo is not a realistic option.

5.6 Another option is to undertake this transformation ourselves. Whilst we have shown that we can make our services more effective and that we can streamline the way we do things, we are not experts in this area and it is likely that we have only achieved this on the periphery rather than looking at the heart of what we currently do and how we do it. It is also very difficult to look at engineering such a scale change whilst still attempting to carry on providing an acceptable level of service to the public.

5.7 It is also clear that if we are to radically change the way we configure our support services, significant investment will be needed in new “best of breed” technologies. This effectively rules out options 2, 3 and 5 and 6 since no local authority will be in a position to make the necessary investment and will not possess the necessary skills to achieve the reconfiguration. This need not necessarily close the door however to some services being reconfigured through partnership possibilities other than a Joint Venture, eg with other local authorities.

5.8 Externalisation is a route which this council has tried before. Our experience, and that of others who have taken a similar route is that outsourcing can be fraught with difficulties – in particular with understanding and sharing organisational values, understanding and achieving business objectives, monitoring performance, achieving targets and maintaining staff morale.

This effectively leaves option 4 as the most suited to our overall drivers for improvement and change, and to our business needs. The

County Council has decided to explore this route and is keen for this council to join it as a strategic partner.

5.9 Further analysis has however taken place within the Isis programme team to assess the risks and the ability to deliver of the options of both partnering and outsourcing. This assessment is shown below.

Criteria	Partnering	Outsourcing
Cost and Affordability	The affordability model proves that this option is affordable and best meets the end objectives	This model would also be affordable (although more expensive) but would not attract the same level of internal investment
Service Risk	This model presents some initial risk as there is bound to be some resistance to the change process proposed	This model would present at least the same risk
Deliverability	There is some risk here. Experience has shown that strategic partnering can fail. Although the market is still not mature, there is clearly serious interest and support from major prospective partners	Appears to be becoming less attractive
Timescale	The Council will need to enter into a reasonably long-term arrangement (10 years or more) and follow a quality assured partnership selection process	Similar level of care is needed in the procurement. However because this is a less complex model it might be procured more quickly
Funding	There is quite a significant cost of procurement. However the funding for other costs (e.g improvements to customer access, new technology) will be secured through the partnership	A similar cost of procurement would be required. The contractor would take more risk on financial matters, but also retain all the benefit
Practicality	This is still an emerging market but this option is clearly supported by many councils, Government and the private sector	A mature market and a practical option
Legal and Statutory	Meets all criteria	Meets all criteria

5.10 Overall, assessment of the two delivery models against the deliverability criteria shows that they are broadly similar; however cost and affordability is a key criteria and it is here that the partnering option has a significant advantage. This is because the outsourcing option has to absorb the costs of the pension deficit associated with a TUPE transfer of staff. Our analysis of other partnerships (see Attractiveness to Market para 6.2) also

shows that partnering contracts attract a significantly higher level of investment than that available through outsourcing and this is because of a direct relationship to the apportionment of risk.

5.11 On balance therefore partnering presents a real advantage over outsourcing in terms of deliverability.

5.12 Costs

5.12.1 At this stage it is not possible to quantify all costs associated with the preferred business model. Cost analysis at this stage will therefore be limited to best estimates assuming at present an indicative figure of a minimum of one year's gross turnover and a payback period of 10 years

5.12.2 This cost analysis will be revised as necessary as data becomes available from the following sources

- Market soundings
- Reference authorities
- Benchmarking against norms – unitised costs

and will be extended to include

- Capital costs
- Annual financing charges
- Operating and lifecycle costs
- Social Benefits
- Risk – optimum allocation of risk – quantification of the costs-risk register for key stages and time overrun
- Any wider economic benefits
- Income generation
- Sensitivity analysis

5.12.3 Research with other authorities has provided some background cost information relating to partnership models but there is a reluctance to provide any detailed financial information as this is deemed to be “commercial in confidence”.

5.12.4 The second set of costs associated with the project relates to project management. Three full time secondments have been made to TDBC's Project Team to progress the work, to develop the Business Case and to plan the next stages of the project. The cost of backfilling these posts is estimated at approx. £240k for a two year period.

5.12.5 These costs have been met this year by redirecting some resources from within existing budgets. If the Executive decides that we should carry on with the project, we will similarly redirect resources from within existing budgets next year as this work is a key priority for the Council.

5.13 TUPE vs Secondment

A key aspect of progress with the Joint Venture will be the issue of how staff transfer to the partnership and what this will mean in respect of their employment status.

TDBC's clearly preferred model is for staff to be seconded, rather than apply a TUPE transfer. The reasons for this are:

- Terms and conditions of employment will remain those of the employing authority and will consequently give more stability to staff, at a time of significant uncertainty;
- A more stable staff base is more likely to ensure continuity of high quality service provision;
- Although the Joint Venture organisation will decide how many, and what sort of staff it wants, any staff extra to its needs will first be considered for other positions in the JV but will also have the opportunity to return to the local authority for redeployment to be explored. This gives an added safeguard to staff if the Joint Venture partnership decides to rationalise staff numbers.
- Our experience of other local authorities who have opted for a secondment model rather than TUPE is that partnering relationships tend to be stronger, and the need to retain a top-heavy strategic core tends to be less.

It is possible however that we will need to explore whether TUPE would be a viable option; we also must avoid any anti competitiveness challenges under EU law. It is also possible that interested private sector partners may not be willing to work with a secondment model. In addition to these two factors, external advice is being taken into the long term sustainability of staff secondment.

Whilst both TDBC's and SCC's approach is very firmly to prefer secondment, we will need to explore all of these issues and help staff understand our position and approach to them.

6. COMMERCIAL RESEARCH

6.1 Preferred Option

As detailed previously the intention is to progress the strategic service partnership (joint venture) route but further analysis is required to fully prove the economic case. Unfortunately there is little hard evidence from existing partnerships as they are all too new to have realised significant

benefits and information is not readily available but we do know that contracts of a similar scope, value and desired outcomes to that of Somerset have been signed both in unitary and two tier councils. It is therefore not unrealistic to expect that we can achieve our aims.

6.2 Attractiveness to Market

6.2.1 In order to understand the appetite of the market for a project of this type a soft market testing exercise has been completed. Nine companies were invited to attend informal meetings with the project's senior responsible owners and the project managers. Six attended - the meetings covered the key themes of scope, procurement timetable, contract term, value and principles of partnerships, key issues, supplier experience, market development and capacity and interest in Somerset. The outcome is attached at Appendix 2.

6.2.2 It is important to note that this soft market testing process was not intended to form part of any evaluation of suppliers, rather it is intended to inform the decision making process (for the project) within the Council. An open market testing process is to be followed and those companies invited to the soft market testing are not an exhaustive list of potential partners. All suppliers, whether or not they have taken part in the market sounding exercise, will be required to submit an expression of interest following the OJEU contract notice.

6.2.3 All suppliers consulted are interested in the proposition offered by the Council. Most had no preference as to the type of strategic partnership (i.e. outsourcing or partnering).

Subsequent to the planned soft market testing, approaches have been received from three further potential suppliers. Meetings as described in para 6.2.1 will take place with these suppliers prior to the OJEU advertisement.

6.2.4 In summary there is a good appetite in the market for a strategic partnership with Somerset for the provision of corporate and transactional services, and customer access.

6.3 There are a number of partnership programmes and case studies relating to SSPs for projects of similar scope to Somerset. Our research has provided the following information.

Authority	Partner	Model	Scope	Contract Value	Investment
Bedfordshire	HBS	TUPE transfer (550staff)	Support services, customer access	£200m/12 years	£7m

West Berkshire	Amey	TUPE transfer (400 FTE)	HR, IT, Customer Service, Finance, Property	£160m/10 years	£11m
Lincolnshire	HBS	TUPE transfer (1100 staff)	Finance, Property, personnel, ICT, catering	£280m/10 years	£35m
Liverpool City	BT	JVC-secondment	ICT, revenues and benefits, Liverpool Direct, payroll and HR	£300m/11years	£60m
Suffolk	BT	JVC-secondment	IT, finance, payroll, HR, public access	£315m/10years	£51m
Middlesborough	HBS	TUPE transfer (1000 staff)	Finance, IT, procurement, Revs & Bens, HR, payroll, Communications, Public access, Service admin	£200m/10 years	£25m
Pendle BC	Liberata	TUPE Transfer 180 staff	Revenues, Benefits, personnel, Property Services	£100m/15years	£6m
Westminster	Vertex	TUPE transfer 400 staff initially	Customer Service – approx 70 services	£240m/10 years	£25m

6.4 It should be noted that for a number of reasons two of the partnerships listed above have been unsuccessful. This analysis serves to show the variety of partnerships that have been established for various services, with a variety of private sector partners and varying investment levels.

6.5 Although some partnerships have been in operation for 5 years, the market has only grown slowly. However, indications from the market soundings show that there are a number of private sector suppliers who will be interested in the Somerset collaborative programme, which has an annual gross value of about £34m.

7. PROCUREMENT OPTIONS

- 7.1 In terms of procurement options the following could be considered as being in compliance with Standing Orders for Contracts and the EU Public Procurement Directives
- framework agreement – other purchasing authority or OGC
 - OJEU open
 - OJEU negotiated
 - OJEU restricted
- 7.2 It is unlikely that any framework contract exists which will cover the extent of this procurement. Market intelligence and professional support indicates that the OJEU negotiated procedure will provide the most appropriate procurement option allowing dialogue and negotiation with the preferred bidder to establish the best deal before contract. This is particularly relevant to procurements where it is difficult to accurately scope the procurement at the outset. Once the contract is negotiated it will in effect be a framework contract open to all authorities as defined within the OJEU notice.

8. AFFORDABILITY

- 8.1 It is intended that the overall financial outturn on the project as a whole will be cost neutral. The financial evaluation model can be represented as
- A. Value of investment in people and technology
 - B. Value of savings from efficiencies and BPR (in scope and out of scope services)
 - C. Delivery of customer access strategy
 - D. Annual service charge
 - E. Value of new business growth

with the formula for the most beneficial option being

$D - (A+B+E)$ with C being the constant.

8.2 The Affordability Model

- 8.2.1 A key aspect of this Draft 3 paper is an outline of the financial case to support the overall business case. Essentially this summarises what the “in scope” services are costing us now, what the projected (or preferred) future services profile is likely to cost, and whether our future ambitions are affordable. This financial case will also include a summary of the qualitative benefits that TDBC and SCC are jointly seeking from the Partnership.

8.2.2 The affordability model includes the estimated cost of procuring external legal and financial advice for the project (see 8.5), and for continuing the current project management arrangements.

8.3 **Cost comparison of the different options**

8.3.1 Draft 1 of the Outline Business Case highlighted several different business models of achieving the objectives of this joint project. Draft 3 of the OBC includes a summary of the affordability of each of these models to ensure we have considered all potential options and compared their practicability and affordability. The models costed are:

- Standstill (do nothing)
- Doing it ourselves
- Joint Venture model – secondment
- Joint Venture model – outsourcing

8.4 **Detailed financial planning – the financial model**

8.4.1 At this stage it is important to understand it is not possible to produce a fully costed or detailed financial plan. Precise costings will only emerge when potential suppliers begin to set out what can be provided, and how they intend to do it. This will begin to emerge when suppliers submit their expressions of interest in late November 2005 and will be further refined during the negotiation period between January and early March 2006.

8.4.2 The financial model itself is a complex matrix comprising several different variables. In these very early stages of the project, no information is yet available about prospective private sector partners so the financial model has to be based on a set of working assumptions. Advice has been received from the “4Ps” to ensure robustness and to ensure our assumptions are both reasonable and realistic. These assumptions underpin the financial model (see para. 8.4.3 below).

The financial model is flexed around 3 major variables:

- The likely level of investment. This is based upon knowledge of the range of figures from other partnerships. Ultimately the figure will be negotiated based on the degree of risk and other requirements made of the provider. A total of £30m, £40m and £50m has been assumed, with the benefit accruing 80% (Somerset County Council) and 20% (Taunton Deane Borough Council). This ratio is in proportion to the gross budget and FTE staff numbers that each of the councils is contributing to the partnership.
- The amount of BPR efficiencies that the partnership could achieve from in scope services. A 10%(Low): 15%(Medium): 20%(High)

range has been taken based on advice from 4ps and knowledge of other partnerships.

- A contribution to the partnership of BPR efficiencies from out of scope services. All the scenarios modelled require such a contribution. The range of BPR efficiencies assessed from out of scope services is less than that for in scope services but further work is being undertaken to identify the potential savings available from transactional and administrative type processes

8.4.3 The financial model below sets out the “stand alone” estimated outturn position for TDBC by summarising in outline the overall financial viability of each of the different business model options described at 8.3.1, based on the assumptions detailed above and as set out in full at Appendix 3.

Nb (i) These figures are indicative only – changes to any of the assumptions described above will result in amended data.

(ii) The table in all cases assumes a contract period of 15 years.

OPTIONS	TDBC STAND ALONE POSITION			
STANDSTILL - no customer access improvements	NIL Investment	-7.52		
Assumptions				
<ul style="list-style-type: none"> - Customer Access aspirations delivered - 15 year contract 				
OPTIONS	Investment £m	Level of Efficiencies		
		Low	Med	High
DO IT OURSELVES	6	-7.60	-5.07	-2.13
	8	-9.74	-7.21	-4.27
	10	-11.89	-9.35	-6.41
JV – TUPE	6	-10.17	-7.58	-3.21
	8	-10.17	-10.17	-6.39
	10	Not viable	-10.17	-9.54
JV – SECONDMENT	6	-7.70	-6.16	-2.52
	8	Not viable	-7.70	-4.97
	10	Not viable	-7.70	-7.70

8.4.4 Based on the indicative figures above, this table can be broadly summarised as follows:

Standstill

If we do nothing, and leave corporate and transactional services as they are this will result in a budget gap of about £7.5m over the 15 year period. We will not have the benefit of investment and will therefore be unable to make the customer access improvements we seek. This could only be met by budget cuts with the real risk of cuts in service, as there will be no investment to improve efficiencies and/or productivity. This therefore, is an unacceptable option.

Doing it ourselves

This assumes the Council prudentially borrows in order to make the required investment into improved customer access. The model includes the variable levels of BPR efficiencies; the probability however of the Council being able to achieve high or medium level efficiencies would need to be carefully assessed and risk rated accordingly. All figures would then need to be risk adjusted. BPR expertise would need to be bought in if applying this model.

All permutations of the variables result in a budget deficit over the 15 year period.

Joint Venture - Secondment

Whilst superficially these figures appear less attractive than the option of doing it ourselves and still remain in negative balance, in reality this returns the “least worst” position overall in that investment levels are guaranteed, it is less expensive than the TUPE option (see below), BPR efficiencies will be available in house and there is no need to risk adjust the figures. Given the added risks associated with the option of doing it ourselves, this appears to be the most attractive of the options given that all return a negative outturn and we know that the Council cannot stand still.

Joint Venture – TUPE

Joint Venture with the TUPE employment model also provides the required investment and will provide BPR; this is a more expensive option however than the secondment model because it carries the extra pension costs associated with a TUPE transfer.

Overall, notwithstanding the negative outturn position for each of the options, a Partnering model based on a secondment employment model appears to result in the most favourable position.

- 8.4.5 It can be seen from the above table that it is not financially viable for TDBC to consider undertaking such a partnership arrangement alone.

Whilst TDBC's business case needs to be considered on a "stand alone" basis, it is difficult to make an informed decision about the programme's overall viability without seeing the financial modelling that reflects a joint position with SCC. A joint TDBC /SCC estimated outturn position is shown at Appendix 4; however at this stage this further information remains commercially confidential and as such Appendix 4 is included as a "pink" paper only. Further reference to Appendix 4 shows that this proposed programme becomes financially viable if the two councils undertake this partnership arrangement together.

- 8.4.6 It is important to note the "affordability model" included in this report covers a range of variables (eg low to high), to ensure members are aware of the range of potential results that the model could produce.
- 8.4.7 If the Executive agrees TDBC should go ahead with participation in the procurement process, expressions of interest will be submitted by the end of November. This will be followed by a further period for negotiations with shortlisted suppliers from January to March 2006. It is only at this stage that a more accurately costed model will emerge.
- 8.4.8 It will also not be possible at this current stage of the project to second-guess what our emerging customer access strategy is likely to cost. For these reasons, the financial case presented in the Outline Business Case is an outline summary of the projected net benefits to be gained from the partnership and an outline summary of costing the respective business models.

8.5 External consultants

- 8.5.1 We need to underpin a project of such a significant scale and nature with robust quality assurance and risk management processes.
- 8.5.2 Part of this assurance process will include seeking further specialist legal and financial advice at key stages in the Project to ensure our thinking, and processes are robust and fit for purpose.
- 8.5.3 As far as we are able, we will seek advice jointly with SCC in order to minimise costs. It is possible though, particularly with legal advice that there may come a point when it is prudent to seek our own separate and independent advice to ensure the integrity of the process for TDBC.
- 8.5.4 Funding of the joint advice will be split proportionately between us and SCC. The projected proportionate cost for TDBC is £120k.

9. PROJECT SCOPE

- 9.1 We will need to be clear exactly which services are appropriate for inclusion in any new arrangement, and also those which are not. The project focuses on those services provided by Corporate Services, but will potentially include some other areas (eg Revenues and Benefits, property services, procurement). The project will also include public access – as described earlier, the need to implement our customer access strategy is one of the key drivers for this initiative.
- 9.2 The following table provides an overview of the service areas that have been considered for inclusion.

Service Area	Functions	Budget Gross £'000	FTE
Finance	Treasury management, budget preparation and accounts, insurance	978	11.58
IS	IT department , Static and mobile telephony, voice and data activity, Wide Area network, Local Area network	991	20.68
Service Area	Functions	Budget Gross £'000	FTE
HR	HR – meeting demands of Services, and of corporate organisation (strategy and policy issues), employee relations, organisation and provision of corporate training, recruitment	448	8.50

	advertising, payroll and Occupational Health		
Customer Services	First point of contact for queries from the public	516	17.62
Property Services	Asset holdings and management, facilities management, maintenance and design, GIS	1,342	20.75
Legal Services	Provision of legal services to all Services, incl Land Charges	445	6.91
Procurement	Procurement functions (including purchasing)	285	10.63
Office Services	WP, Post Room, Design & Print	704	16.07
Revenues	local taxation, income control,	1,104	24.56
Benefits	Benefit administration, Investigations.	1,117	33.24

9.3 Both the Revenues and Benefits services have been included in the list of potential “in scope” services in the table above. The case for including these services may, at face value, seem more difficult to understand, given that both services have already rationalised their operations and currently out perform national targets.

Our key drivers behind the need for organisational change are that of corporately improving the customer focus of our services, of making our services more accessible, and of delivering value for money to our taxpayers. Both Revenues and Benefits will need to be part of any new approach or strategy we develop about how we best achieve this corporately.

A further reason for inclusion is that if TDBC is a founder partner of a Joint Venture arrangement, strategically we will have positioned ourselves well for this service to be offered to other local authorities who have not yet chosen to be part of the JV arrangement. Additionally, the “skills set” of our staff are very similar to those used in several SCC services – offering potential for exploring different ways of working in the future. This

strategic positioning will allow opportunities for further developing and growing these service outside of TDBC – offering our staff an opportunity for development and stability that we simply cannot offer.

Finally, Revenues and Benefits are classified as a “transactional” service which reflects current government thinking about appropriate areas for inclusion in a Joint Venture partnership.

- 9.4 The statutory roles of the Chief Financial Officer (S 151) and the Monitoring Officer will not be included, and there will be a need to retain sufficient resource to maintain some strategic capacity in other areas, but this will be kept administratively light.
- 9.5 The precise scope will be influenced by the market sounding exercise, visits to other reference authority sites, continued debate within TDBC and continued dialogue with the prospective partner(s) as this project progresses. However, it is important that, before going to market, this Council is clear what is likely to be “in scope”.
- 9.6 The Officer Steering Group has debated which services should potentially be included. Early discussions raised some doubt about whether we should include Property Services, and Legal Services. Further debate since July has led to the view that Legal Services should not be included, but that we should regard all of Property Services functions as in scope. CMT has endorsed this position. **At this stage of planning, the services to be included as “in scope” are those set out in the table attached at Appendix 5.**

A further joint review of scoping will be carried out through the Joint Programme Board (SCC and TDBC Directors) during late August.

10. KEY STAKEHOLDERS & COMMUNICATIONS

- 10.1 Although this project focuses on corporate services, it will touch all aspects of service delivery and it is therefore vital that all stakeholders are kept apprised of the Council’s intentions. Stakeholders have been identified as Members of the Council, staff of the Council, Members and staff of partner councils and organisations, citizens of Taunton Deane, trade unions and neighbouring authorities with whom we have close relations.
- 10.2 The project has been initiated at top management level and is wholeheartedly supported by the Chief Executive and the Corporate

Management Team. The Strategic Director, Shirlene Adam is the project champion.

- 10.3 TDBC has begun a consultation exercise with staff about the prospect of entering into a strategic partnering arrangement and has to date held a number of briefings for senior managers and staff representatives.
- 10.4 Good communications has to be built into this project and is critical to the successful management of the change process. We aim to make sure the right people have the right information at the right time using the appropriate channel. Equally we need a robust mechanism in place to encourage feedback from staff so they feel involved in the process.
- 10.5 A joint TDBC/SCC communications strategy has been drawn up, along with a specific TDBC action plan. This action plan sets out ways for us to communicate with staff, including regular face to face briefings for all staff (both in and out of scope) and regular written updates for all staff and for elected members.

A further joint TDBC/SCC action plan will be drawn up to ensure we inform and consult with other stakeholders at suitable times.

10.6 **Staff Consultation Group**

Although both Unison and Staff Side are members of the Officer Steering Group, we have set up a wider TDBC Staff Consultation Group as part of the Communications Action Plan. This will help ensure that staff are informed and well briefed about all aspects of the project, and that staff can make their views known to the Officer Steering Group. Representation on the Consultation Group covers each proposed in-scope service, as well as including representatives from other services to ensure we keep all staff properly informed.

11. JOINT WORKING

- 11.1 There has been interest in this project from District Councils and other authorities. It is unlikely that all other interested parties will progress to participation before the OJEU advert is placed. In view of this the OJEU advert will be worded in such a way that any involvement from a further public sector partner can be considered at a later stage.
- 11.2 However, it would be likely that any such involvement in the partnership would have to wait until after award of contract. Although the OJEU wording would not exclude partners joining in the process during the procurement process, it would make the procurement and negotiation process more complicated by adding another set of dynamics to the process in terms of people, issues and objectives.

- 11.3 Should there be a further partner involvement from the beginning of the process this will increase the size of the evaluation team but could help ease the resourcing of the full time project team.

12. RISK ASSESSMENT & QUALITY ASSURANCE

12.1 Risk Management

Clearly a project of this scale and nature will carry a number of significant risks. TDBC has a tried and tested methodology for assessing and managing risk and this project will be no different. A comprehensive risk register has been developed through TDBC's Officer Steering Group, along with accompanying management action plans. CMT have seen and approved both documents.

The TDBC Member Steering Group has also considered the risk register and will be kept up to speed as this develops during the project. This risk register will, over the coming weeks, be combined with the County Council's register into one composite project register identifying overall risks for the Project (although TDBC will retain its own register to ensure that independent robust risk management takes place within this council.)

12.2 Quality Assurance

A project of this significant scale and nature needs to be underpinned by robust quality assurance and risk management processes. Quality assurance is to be undertaken jointly by SCC's and TDBC's internal audit expertise. This assurance team will work closely with the two Joint Venture Project Teams and will assess all key decision making processes and milestones of the Project.

12.3 External Advice

Some external advice about the overall nature and risks of the Project has been received from the 4Ps, an "independent" government office advisory organisation. The Council will need however to seek further specialist legal and financial advice at key stages in this Project to ensure that its thinking, and its processes are robust and fit for purpose. The cost of this external advice is addressed in Section 8.5 of this report.

12.4 Exit Strategy

The need to include a robust, flexible and future proof exit strategy has been clearly identified, even at this early stage. TDBC will need to plan carefully for future events that could affect the Project's viability (eg future local government reorganisation, legislative changes, financial stability of the private sector partner) and plan a strategy that allows the Council to leave the Partnership in a way that does not damage customers, services or staff should it decide this is an appropriate course of action. .

13. PROJECT MANAGEMENT ARRANGEMENTS

13.1 Management Arrangements

The project will be managed in accordance with the principles of Prince 2. The proposed governance structure is as follows.

Executive Board:

- To approve the strategic direction, outline scope of activity, agrees outcomes and benefits and authorises procurement process.
- To approve recommended partner at the end of the procurement process.

Elected Member Advisory Group:

- Provides political direction to the project.
- Review project progress and approves any exceptions to the approved scope
- Ensures process is properly aligned at all stages to the strategic outcomes required.
- Supports key communication processes across all key stakeholders

Frequency of Meetings: currently monthly, to be reviewed.

Members: Cllrs Hall, Leighton, Clark, Garner, Wedderkopp, Coles, Lisgo and House.

Corporate Management Team:

- Owns the strategic vision for the project provides clear leadership and direction during the course of the project
- Takes key procurement decisions: agrees final scope, approves supplier shortlist, approves final 2 suppliers, agrees preferred supplier, recommends award from Executive Board decision against defined and agreed criteria.
- Secures the investment required to set up and run the project and fund the transition activities required.
- Receives reports on project progress

Frequency of Meetings: Weekly, with weekly updates and monthly highlight reports.

Senior Responsible Officer:

- Is directly accountable for the delivery of the procurement project delivering agreed outputs to required specification and quality within budget.

- Maintains close liaison and communication with Partners Authorities, SCC SMB and Elected Member Advisory Group
- Provides day to day direction for the project, responds to project issues and takes decisions to ensure project maintains momentum and that the timetable is achieved.
- Ensures business case is maintained and is remains relevant to the overall strategic aims.
- Ensures that communications with internal and external stakeholders are effective.
- Manages the key strategic risks facing the project.
- Ensures that the organisational change is managed effectively.
- Meets with the project manager at least weekly to review progress
- Commissions and chairs reviews during the project to ensure alignment with objectives, capability of delivery and measurable achievement of benefits

Senior Responsible Officer: Shirlene Adam

Strategic Steering Group:

- Actively leads the agreed communication to staff within respective service teams of the reasons for, progress with and benefits arising from seeking a strategic partner. Highlights to the group and addresses all concerns and issues that arise in the agreed manner.
- Supports the communication with external stakeholders as agreed through the Communication Strategy.
- Receives reports on project progress.
- Informs discussions on and develops business scope and statement of requirement.
- Coordinates and provides all service specific information required by the project team at all stages of the procurement process.
- Approves key procurement documents
- Takes decisions to resolve any business or project issues.
- Identifies, owns and actively supports/leads the management of project risks and related contingencies.
- Ensures adequate resources are available during the life of the project.
- Makes recommendations to the responsible owner and the CMT Project Board.
- Receives feedback from and directs and advises on action to be taken by work stream managers as they are appointed to project activities.

Frequency of Meetings: Fortnightly from 3rd May 2005 or as project issues demand.

Officers: In scope service managers, plus 2 other Heads of Service

Project Manager

- Directs and motivates the project team;
- Provides project information and advice to partner authorities
- Project manages and plans all stages of the project;
- Agrees delegation and project assurance roles;
- Produces the PID;
- Prepares project reports as defined by the PID.
- Manages on a day to day basis the business and project risks (includes contingency planning);
- Liaises with members of associated activities e.g HR and Communications;
- Monitors progress, expenditure, resources and initiates corrective action;
- Keeps Officer Steering Group and Project Board informed of deviations in plans and associated action (ie Change Control);
- Establish technical and quality strategy with appropriate members of the Project Office and Officer Steering Group;
- Prepare End Project Report;
- Identifies and obtains support and advice necessary for the management, planning and control of the project;
- Manages the development of the communication strategy and delivery of the communications plan.

Project Manager: Jill Sillifant

Project Office

The Project Office enjoys the benefits of combined resources with the County Council, and:

- Coordinates all project activities to ensure delivery of identified project objectives and deliverables raising issues as necessary.
- Provides the technical skills necessary for the effective delivery of identified project deliverables e.g. finance, communications, procurement documentation.
- Monitors delivery of the project against the project plan and within the scope of the project initiation document.
- Prepares procurement documentation necessary for each stage of the procurement process
- Helps manage each Gateway Review process and reports outcomes to Officer Steering Group and the combined SCC/TDBC Programme Board
- Prepares project reports for the Officer Steering Group and the combined Programme Board.
- Manages the project issues log, risk register and plan, and actions log, intranet site.

- Provides project administration

Members of the Project Team: Jill Sillifant, Lizzie Watkin, Louise Cook, Ruth James, Lisa Wyatt-Jones.

13.2 Procurement Plan and Timetable

The procurement timetable has been set out as follows

Activity	Timetable
1 Undertake market soundings	w/c 18.04.05
2 Issue OJEU Notice	03.10.05
3 Shortlisting of suppliers	31.12.05
4 Invitation to negotiate	06.03.06
5 Submission of bids	31.05.06
6 Preferred bidder identified	01.08. 06
7 Contract award	01.10.06

It is recognised that this is a tight timescale but should be achievable given adequate resourcing is available. None of the suppliers invited to the market soundings indicated that this would be a problem for the supplier side.

13.3 Gateway Review Process

The Gateway review process, managed by the 4ps (a government agency) examines projects at critical stages in their lifecycle to provide assurance that they can successfully progress to the next stage. SCC has requested reviews at the following key milestones

- business justification – review of business case
- investment decision – review of procurement process and evaluation
- Readiness for service – review of implementation programme

14. NEXT STEPS

- **If the Executive agrees, proceed to European Procurement on this project;**
- **Further develop business affordability model;**
- **Produce pack of information for prospective bidders;**

- **Complete Statement of Requirement for prospective bidders;**
- **Develop, with SCC our joint visions and joint ambitions for presentation to the Executive on 5 September 2005.**

Strategic Services Partnership – Supplier Market Soundings

14th – 20th April 2005

APPENDIX 5

	Fujitsu	BT
What are your views on the scope of the project?	Felt that nothing in scope was beyond their capability	Scope reasonable
Do you feel that the timescale is achievable?	Timescale is challenging, major challenge if we have too many tenderers. Timescale is possible Major issue is our readiness to handle questions and having information available	Ambitious but achievable
What business models would you consider appropriate?	Need an adaptable business model, many models available ranging from traditional contract based outsourcing to full strategic partnering with strategic board or incremental partnership	Commercial considerations shaped by what you are trying to achieve. BT would work with a partner
What are your observations on potential investment?	Private sector will be reluctant to sign up to guaranteed profit without clear idea of risks and how these can control	Can use procurement savings released, use of consultancy fund
What contract period do you consider appropriate?	Long enough to enable payback of investment, more flexibility if we do not need payback	7 to 10 years appropriate, reduced length contract will reduce upfront investment
What employment options should be considered?	They have experience of range inc secondment model and full TUPE	Prefer JVC secondment but will consider other models
Please detail your previous relevant experience?	Walsall, 21 Service areas inc. ICT, Libraries & Procurement Highland Council, 10 year partnership, now in year 6. Lewisham BC, e-government change partner Wirral, back office system, benefits release	Liverpool, Rotherham, Suffolk, Rochdale
Where do you feel that the market is developing and what capacity exists?	No comment	No comment

<p>What additional issues and considerations do the suppliers think are essential?</p>	<p>People are the Key, technology is an enabler. Releasing asset value is fundamental. Estate base must be centred around customer need, not Departmental need - Citizen Centric. Need a partner who can deal with cultural change. Adaptability is key. Middle managers and their "buy in" is key. Consider incremental partnership, frame works and business case by business case approach Authorities must retain their own brand Partner needs control to deliver benefits and guarantee savings. True partnership essential. Objectivity much be retained throughout procurement. Transparency of process essential.</p>	<p>OJEU must enable other authorities to join. Partner does not do it for you but with you. Estate can be a limiting factor. Need to understand how re-engineering (i.e. IT) will affect. Commercial benefits affected by what you are trying to achieve. Model must flex to both party's needs. Lots of work at the "back end" of the procurement. Need to introduce culture change and management before signing contracts. Think about change management now. Need to agree how investment works in business case for partner and authority. No "free money". Project must have "head room". Middle management can often hinder project, but can also be the most enthusiastic about ground breaking activity. Leadership on all sides is key. Ensure partner understanding early on. Ensure partner's, partner is close to them. Desire and Teamwork are essential. Be creative. Ask fundamental questions about the services we offer: "Is this what we should be doing". Resources needed pre and post contract. Will need staff resource to handle procurement process. Somerset Broad band project must be complete before we engage with BT (BT currently working with us on this project)</p>
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	Agilisys	Vertex
What are your views on the scope of the project?	Could achieve with partner assistance	Vertex feel they could cope with, currently building ability to provide Legal Services
Do you feel that the timescale is achievable?	Time needed for evaluation will have implications for our projected timescale	Yes, April 2006 start viable, suppliers will swamp with requests so we need to have information available Need Project Management and adequate resources Suggest items prepared ahead of time
What business models would you consider appropriate?	Not big enough to do everything, ("no one is") would use partners. Flexibility is required	Joint Strategic Governance, Open Book accounting Options for "Strategic Partnership" or "Build, Operate and Return". Suggest Customer Centric model Do not favour JVC
What are your observations on potential investment?	see answer re contract period	Suppliers need sufficiently long contract to enable payback to encourage investment
What contract period do you consider appropriate?	7 to 10 years. 15 years if property included. 5 to 7 for ICT payback	10 Years with option to extend for further 5 (see above) "Build, Operate and Return" would be 2-3 years
What employment options should be considered?	TUPE and secondment, but "understand what secondment actually means". TUPE is often the cleanest	Do not like secondment model, prefer TUPE with staff transfer for clear accountability, use of own motivational structures and own management structures and methods
Please detail your previous relevant experience?	Cumbria CC, North Yorkshire CC, Hammersmith & Fulham, Harrow, Hambleton DC, LB of Barking & Dagenham, Staffordshire CC, Birmingham City	Plymouth, Birmingham City Council, Westminster City Thurrock Council, Brent Council, DWP Would like a County and a District
Where do you feel that the market is developing and what capacity exists?	There are a number of quality opportunities for suppliers	

<p>What additional issues and considerations do the suppliers think are essential?</p>	<p>Ensure contract enables others to join. Suggest County plus one District with scope for others to join.</p> <p>Our large Outline scope will have a significant impact on the evaluation. Flexibility required.</p> <p>Consider price fixed for 1 - 2 years and then negotiate.</p> <p>Use outcome based service level agreement. Governance structure key. 50/50 partnership, avoid contractor/client split, sit staff together. If unable to specify exactly what happening at the moment focus on the governance structure.</p> <p>Pre-emptive approach to re-organisation valuable. Engagement during procurement process useful (inc. supporting attending authority's offices on weekly basis) avoids "Blind Alleys".</p> <p>Technology is an enabler.</p>	<p>Avoid two speed authority (i.e. that within the partnership and everything else). Need dedicated team to deliver project. Avoid secondment "like the plague". Produces "opt out" mentality.</p> <p>Do not favour JVC.</p> <p>Target 80/90% of all enquiries sorted at front desk. Management Board need senior people from both partner and Authority to set objects and get things running. Enormous value from their "face to face" contract, trust and engagement. Understand your business. Empower your staff. The cultural change will be big. Work with staff. Citizens do not need to understand how our systems work, just how to access services. Management Boards need contractual agreement to regulate. Visits to other strategic Partnerships will be helpful. Vertex understand and will contract to meeting local requirements, I.e. local development and employment. Seek to improve citizen experience. Joint Strategic Governance. Open book accounting. Remember local authorities are difficult to deal with. Have open debate system Team working needed, Have open agenda. Accept there will be highs and lows. Consider all aspects "end to end". Transformation is tough. Share Risk. Partnership essential</p>
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	Capita	Hewlett Packard(HP)/Hedra(HE)
What are your views on the scope of the project?	No problems at all with scope but prefer not to be involved with blue collar staff	HP interested in ICT and transformational agenda but not so keen on property portfolio management HE - it may be better to unbundle the services as different private sector organisations have skills in different areas
Do you feel that the timescale is achievable?	No problems with the timetable	No comments made
What business models would you consider appropriate?	Is involved in outsourcing and JVC/secondment models and best model for Somerset will depend on how risk is shared Open Book accounting/transparency to demonstrate justification for change	HP recognises shift in partnership arrangements- HP would partner with another organisation (e.g. Hedra) but scope here is too wide and would be overreaching
What are your observations on potential investment?	Investment will provide a platform for future growth. Capita might accept a low margin at the outset but won't go in at a loss Invest-efficiencies-growth and continuous improvement-re-invest model	HP- would have to discuss at Board level and level of investment would depend on the robustness of the business case. Likely that interest charges would be relatively high in the first few years to compensate for low/no returns
What contract period do you consider appropriate?	Needs to be long term to make returns on investment	10 year minimum to make the finances work
What employment options should be considered?	Happy to work with secondment model or TUPE transfer Would want clear agreement around the staff transfer	Has worked with joint partnership secondment model
Please detail your previous relevant experience?	Gwent (4 unitaries)-JVC with secondment, Salford-JVC with secondment, Blackburn with Darwen-outsourcing allied to BBC licencing service, Criminal Records Bureau, Wembley Stadium Herts CC call centre	HP-Foreign and Commonwealth Office - infrastructure project (joint management), talking to Newham, bid to Birmingham with Hedra - transformational changes, Worcester Hub - contact centre County and Districts-partnership with Deloitte HE - Lancashire -independent adviser,N.Yorks-e gov with Agilisys Northants -strategic partner 3 year programme
Where do you feel that the market is developing and what capacity exists?	Many past partnerships have had unrealistic starting points and have been oversold. Much opportunity in Districts joining with County/Unitaries- very interested in this model	Such a large range of services in scope will narrow the market
What additional issues and considerations do the suppliers think are essential?	It will cost suppliers £1m to bid for this work so suppliers will be selective on what they bid for Ensure that a robust decision making structure remains within the Council- this could be a constraint which holds up partnership moving forward Suggested releasing assets to generate investment funds Interest in the work will be determined by risk and growth possibilities-less risk =better deal	Authority needs to be sure that they can support their side of any deal Growth potential will be the key Be aware of possible power conflicts and tensions with Districts

AFFORDABILITY - ASSUMPTIONS

All models are costed over a 15 year period.

The **Status quo** assumes that there is no new investment and a steady 2.5% reduction in resources available for in scope services

For all other models

- A range of levels of investment have been built in
- A range of Business Process Reengineering efficiency savings have been used (average over in-scope services of 10%, 15% and 20%)
- These efficiencies will be delivered over a 2 year period in an TUPE model, over a 3 year period in a secondment model and over a 5 year period in a DIY state all starting in year 2.
- A range of BPR efficiency savings released from out of scope services have been used (average over services of 5%, 7% and 10%)
- BPR efficiencies will not be realised from out of scope services until year 6 in both secondment and TUPE models and over a 5 year period starting in year 6 in a DIY state

The Do It Ourselves model assumes that we prudentially borrow and carry out the BPR and deliver Customer Access ourselves

For both Secondment and TUPE models

- Property assets will not transfer
- Other assets may transfer but will do so at nil cost
- Assets that do transfer will transfer back at the end of the contract at nil cost
- No business growth has been built in
- Private partner will accept a 7% rate of return
- Partnership delivers our Customer Access requirements

For the Joint Position

- Synergies from joint working have been built in
- Joint turnover covers any severance costs resulting from the BPR efficiencies

TDBC: SCOPING STATEMENT

APP 5

HR DEPARTMENT			
Out of Scope	Comments	In Scope	Comments
Strategic direction eg policy formulation, management development need analysis, IIP /OD work	Could be commissioned from the partnership	<ol style="list-style-type: none"> 1) Recruitment and selection advice and support to managers. 2) Employee relations – General advice on employment related issues, design and review policies and procedures, co-ordinate health and safety, support managers in a range of people management issues 3) Training and development – Advise on training and development issues, develop and review training policies, design and run development centres, run management development prog, design and run prog of skills and other training to support individual and corporate needs 4) Payroll 5) HR Administration 6) Occupational health 7) Management Information 	

LEGAL SERVICES			
Out of Scope	Comments	In Scope	Comments
<p>Legal Advice to Members and officers across most of the Council's services and functions</p> <p>Assist with probity issues</p> <p>Carry out all the Council's conveyancing and deal with most of the construction contracts</p> <p>Deal with Planning enquiries and Sec 106 agreements</p> <p>Carry out most of the Council's prosecutions and represent the Council in other court proceedings</p> <p>Provides specialist legal support on major legal issues and co-ordinates external legal advice where required on major projects</p> <p>Organises funerals for those who have nobody willing and able so to do</p> <p>Provide replies to Local land charges searches.</p> <p>Maintain the Local Land Charges register.</p> <p>Make appropriate records available for personal searchers.</p>			

FINANCE DEPARTMENT			
Out of Scope	Comments	In Scope	Comments
Internal audit. S 151 role	Needs to remain independent Needs further thought	Accountancy: <u>Financial Strategy:</u> <ul style="list-style-type: none"> • Medium Term Financial Strategy • Medium Term Financial Plan • Financial Options Appraisal • Budget Preparation • Budget consolidation • Tax level calculations • Salary budget preparation • Budget book preparation • Advice & Guidance to Officers and Members <u>Budget Monitoring (Capital & Revenue)</u> <ul style="list-style-type: none"> • Monthly report to Corporate Management Team • Regular meetings with Managers • 4 Monthly reports to Review Board • Deane DLO monitoring <u>Technical Financial Matters</u> <ul style="list-style-type: none"> • Fixed Asset charges • Collection fund preparation and forecasting 	

		<ul style="list-style-type: none"> • VAT advice and preparation of monthly VAT return • Analysis of the impact of new legislation • Maintenance of the current Financial Management System <p><u>Closedown of the Accounts and Preparation of the Annual Financial Statements including liaison with the Council's external auditor</u></p> <p><u>Performance & Statistical Information</u></p> <ul style="list-style-type: none"> • Preparation of statutory Government returns • Preparation of discretionary statistical returns (ie CIPFA) <p>Insurance</p> <ul style="list-style-type: none"> • Third party claims handling • Fire policy claims handling • Motor claims handling • Risk management • Level of cover negotiations • Contract renewals <p>Treasury Management</p> <ul style="list-style-type: none"> • Policy & Strategy • Daily cash flow management & forecasting • Liaison with the Councils TM advisors • Debt advice <p>Creditor Payments</p> <ul style="list-style-type: none"> • Maintenance of supplier records 	
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		<ul style="list-style-type: none"> • VAT and CIS tax compliance • Travel warrants Purchase order maintenance	
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IS (Information Services)			
Out of Scope	Comments	In Scope	Comments
Strategic advice/ planning (eg intellectual property rights)	Needs further debate	ICT Management High level strategy provision Reporting to Members and Directors Representation at partnership meetings Awareness and interpretation of evolving technologies and standards Development of standards and policies Employee management Supplier management Business Systems Support¹ Business analysis Business system support and development Corporate systems support and development Systems integration Enterprise architecture implementation E-Systems Support¹ Business Analysis Web development	

		<p>Web management Intranet development Intranet management System support Systems integration Enterprise architecture implementation Infrastructure Support Telephony services Data storage Disaster recovery Security management Local and wide area networks Remote / Home working Helpdesk Out of hours support Hardware installation and support Desktop installation and support Asset management Licence management Performance and capacity monitoring and management</p>	
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PROPERTY SERVICES			
Out of Scope	Comments	In Scope	Comments
		<p>Asset Holdings Property Management (inc. commercial lettings, rent reviews, lease renewals etc) Acquisition & disposal of property assets General property and valuation advice Asset valuations for capital accounting purposes Insurance valuations Rating Valuation reviews and appeals RTB Housing Valuations and sales Maintenance of property records (inc. Terrier & Asset Register)</p> <p>Facilities Management Management of window & office cleaning contracts Management and maintenance of intruder and fire alarm systems & security matters including CCTV Responsibility for opening and closing of Deane and Flook House Develop and maintain electronic room booking system Deane House vending machine management Management of all Deane House meeting rooms & provision of support to all meetings Fire and evacuation procedures Admin support to Property Services Develop & Monitor of Contractors on</p>	

		<p>site system (Health & Safety) Main point of contact for maintenance issues in TDBC Corporate buildings Ensure emergency/out of hours procedures for Dean House are in place and any changes passed to the appropriate officer</p> <p>Maintenance & Design The regular updating of The Asset Management Plan. This provides the framework to monitor the performance of property assets, ensuring sufficiency, suitability and performance requirements are met. Property Condition Surveys Maintenance Programmes Maintenance of Bus Shelters and Street Nameplates Design/feasibility studies. To enable any potential development opportunities to be fully explored Energy Management. Is the energy source appropriate, systems, building fabric, usage etc. Compliance with the Disability Discrimination Act. The Code of Practice encourages the auditing of physical and non-physical barriers to access for disabled people. An access audit and the resulting access improvement plan are the best way of ensuring that a building achieves its potential accessibility, this varying from one building to the next. Health and safety of properties (asbestos, legionella etc).</p>	
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		Flooding Advice and Signposting Drainage Advice GIS service	
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CUSTOMER SERVICES			
Out of Scope	Comments	In Scope	Comments

		<p>Front-line provision of customer contact for: Main reception Revenues Benefits Limited Parking Services Elements of Environmental Health will come on stream as the service is developed on Northgate Front Office during this financial year.</p> <p>Telephonic provision of customer contact for: Main switchboard Revenues Benefits Payments Waste Management Land Charges Parking Services Democratic Services Electoral Registration – information service only Planning Elements of Environmental Health will come on stream as the service is developed on Northgate Front Office during this financial year.</p> <p>Email: Enquiries submitted through internet service Litter hotline enquiries DigiTV enquiries Provide direct access to Council services to the people of Wellington and surrounding areas. In particular provides an income point; Tourist</p>	<p>Need to debate reception arrangements</p>
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		Information Centre and Council Information Point. Provision of venue for Housing Advice; Police Beat Surgery; Benefit Advisor	
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PROCUREMENT			
Out of Scope	Comments	In Scope	Comments
		Strategic procurement Purchasing and supplies functions	Needs to be locally specific, with sufficient scrutiny and challenge
FACILITIES MANAGEMENT/OFFICE SERVICES			
Out of Scope	Comments	In Scope	Comments
Admin support (for legal services and member services)	More work needed on this	Postal Services Corporate DIP Programme Staff Services Provision of word processing and data facility. Maintains and operates Job Application Phone Line. Graphic Design Print Room Services	More work needed on post room services

REVENUES AND BENEFITS SERVICES			
Out of Scope	Comments	In Scope	Comments
		<p>REVENUES</p> <p>Collection Control Council Tax Income Non Domestic Rates Sundry Debts</p> <p>BENEFITS</p> <p>Claim processing; Customer service (telephone and face to face - calls transferred, front-line cover for Customer Service Unit, pre-arranged interviews with public at Deane House); Support Services (scanning & indexing, clerical support); Overpaid benefit recovery; Investigation (both benefits & potentially fraudulent applications under the "right to buy" scheme" and home improvement grants); Subsidy and MIS reporting; Mortgages; Discretionary Housing Payments; Training (for internal as well as external stakeholders); Verification/intervention visiting;</p>	

		Welfare visiting (assisting in claim completion); Take-up (including Partnership arrangements with CAB); Specifications and testing for IT enhancement	
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ASSESSMENT CRITERIA

Legitimacy

Potential for customer access improvements

Potential to maximise front line resources

Opportunities for further business growth

Potential for support services efficiency and improvement

Potential for deliverability by the partnership

Deliverability within the likely timescale of the contract

Affordability

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TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 24th AUGUST 2005

Report of Housing Transfer Manager

(This matter is the responsibility of Councillor Garner)

HOUSING STOCK TRANSFER CONSULTATION

Executive Summary

The purpose of this report is to provide the Executive with an update on the work that has been undertaken recently and to ask the Executive to agree both the Reporting Arrangements for this project and the proposed make up of a Shadow Board.

Attached to this report are a number of Appendices, being:

- i) Appendix 1 - Communication Log
- ii) Appendix 2 - Project Reporting Arrangements
- iii) Appendix 3 - Briefing on the role and responsibilities of the Shadow Board

1. Background

1.1 Members will be aware that progress reports have been provided through a number of guises, one for example being at Full Council on the 19th July by Councillor Garner. This report outlined the work undertaken since June's Housing Review Panel and future work to be undertaken. Further to this report, an update was sent via email to Staff and Members including Frequently Asked and Answered Questions. Attached for information, as Appendix 1 is the Communication Log for this new part of the process.

1.2 At August's Tenants Forum and Housing Review Panel the subject matter of this report was discussed. The Tenants Forum requested one minor change to the recommendation presented to them, which has been included within this report. The Housing Review Panel endorsed the recommendation presented to them in its entirety.

2.0 Ongoing work

2.1 *Project Team:*

2.2 The Project Team is now fully operational and starting to drive this important process forward. A key early task was to appoint the various advisors and assist tenants to appoint their Independent Tenant Advisor (ITA). The key stages over the next two months are:

- i) Work with the appointed Advisors
- ii) Agree the Project Reporting Arrangements
- iii) Agree the basis of the Shadow Board of Management
- iv) Commence the first round of briefings to Staff and Members
- v) Continue to communicate with tenants and leaseholders
- vi) Work with the appointed Surveyors - Savills to assist in the completion of the 20% warranted stock condition survey; which should be completed by the end of August.

3.0 **Project Reporting Arrangements**

- 3.1 Attached to this report as Appendix 2, is the suggested Project Reporting Arrangements. These arrangements have been discussed and agreed by the Corporate Management Team. The proposed arrangements have also been run past the Council's Lead Advisor – PricewaterhouseCoopers (PWC), the Council's Legal Advisor – Pinsent Masons and the Housing Corporation; none of which had any additional comments to make. Lastly, the proposals have taken into consideration comments from the Community Housing Task Force (CHTF).
- 3.2 In regard to the Officer Steering Group, this group met on the 21st July for an away morning to outline their respective roles, to reflect on the work undertaken to date including the Option Appraisal and how the future work will develop. Subsequently, the first scheduled monthly meeting took place on the 4th August where the Project Reporting Arrangements were discussed and agreed.

4.0 **Shadow Board of Management**

- 4.1 Attached to this report as Appendix 3, is an outline of the roles and responsibilities of the Shadow Board. The Council's Legal Advisor – Pinsent Masons, have prepared this appendix.
- 4.2 The next key step is to recruit to the Shadow Board. There are a number of options as to firstly how many persons could sit on the Shadow Board and secondly how the make up of the Shadow Board could comprise.
- 4.3 The most commonly adopted and also the preferred model by the National Housing Federation (NHF) is to have twelve Shadow Board Members, consisting equally of four Council Nominees (usually Councillors), four Tenants and lastly four Independents from the community. It is this make up that is being recommended which is also supported by all the Council's Advisors, the Housing Corporation, CHTF and lastly the Officer Steering Group.

- 4.4 In regard to the Council Nominees, it is the normal practice for each Political Leader to nominate who they would like to sit on the Shadow Board and this is usually a Councillor although other persons can be nominated. After a discussion with the Members Services Manager, it is believed the best way to represent the political make up of the Council, would be to have two nominees from the Conservative Party, one from the Liberal Democrat Party and one to jointly represent the Labour Party and Independents. This mirrors the approach adopted during the Stock Options Appraisal.
- 4.5 In regard to the recruitment of Tenant Shadow Board Members, the ITA (Aldbourn Associates) is assisting the Project Team and the Tenants Forum. The recommended principles of how tenants will be recruited is:
- i) Officers will write to existing tenant contacts to invite applicants
 - ii) Agree a selection / election process in case more than four applicants are received
 - iii) Send out job descriptions and briefing papers to those who request this
 - iv) Either hold information briefings for interested people or offer advice for tenants through Aldbourn Associates
 - v) Select / elect candidates in line with the agreed process
- 4.6 It is recommended that existing Tenants Forum Members take no more than two of the available four places on the Shadow Board.
- 4.7 It is recommended that the two elected Tenant Forum Shadow Board Members, assisted by the ITA and an officer from the Project Team, undertake any interviews that take place for the remaining two places with the Chair of the Tenants Forum attending the interviews as an observer.
- 4.8 In regard to the appointment of the Independent Shadow Board Members, it is usual and recommended that their appointment is undertaken by a panel consisting of those Shadow Board Members already recruited, assisted by the Lead Advisor - PWC, myself as the Housing Transfer Manager and Shirlene Adam – Strategic Director.
- 4.9 It is anticipated that the recruitment of both Council and Tenant Shadow Board Members will be completed by the end of August with the recruitment of Independent Shadow Board members by the end of September. This will enable the Shadow Board to be formed and in operation by the beginning of October 2005. Due to these timescales, an advert for the recruitment of the Independent Shadow Board Members will need to be placed by the end of the week commencing 1st August.
- 4.10 Comprehensive training will be provided to all Shadow Board Members by the Lead, Legal and Communication Advisors (Seymour-Cotton Partnership) to ensure they fully understand their role and can carry out their duties.

5.0 **Recommendation**

- i) To agree the Project Reporting Arrangements detailed in Appendix 2, which includes the make up of the Member Advisory Group
- ii) To agree the proposals detailed in section 4.0 of this report on the Shadow Board, being in summary:
 - a) A Shadow Board of twelve members, equally split between four Council Nominees, four Tenants and four Independent persons from the Community
 - b) That the Council nominees by the Political Leaders consist of two nominees from the Conservative Party, one from the Liberal Democrat Party, one to represent both the Labour Party and Independents and to decide whether these are Councillors or other persons that the Political Leaders wish to nominate
 - c) The contents of 4.5 to 4.9 of this report in relation to the appointment of Tenant and Independent Shadow Board Members

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Appendix 1 - Communications Log

Index No.	Date sent/received	Format	Subject	Author(s)	Stakeholders/Audience	Sent to or Meeting Group	Action req. by Project Team	Logged
PB001	05-Apr-05	Press Release	Exploring the Housing Stock Transfer Option	Emma Brewster	General Public	Taunton Gazette	None	FD/TAB 16/06/05
PB002	06-May-05	Advert	Expression of Interest	Carl Brazier	Consultants	Inside Housing, TDBC Website, Intranet	None	FD/TAB 16/06/05
PB003	30-Apr-05	Newsletter	Deane Housing News Issue No. 29 Spring 2005 "Stock Transfer Update"	Carl Brazier	TDBC Tenants	TDBC Tenants	None	FD/TAB 16/06/05
PB004	22-Apr-05	Letter	Change of Roles within Senior Management	Carl Brazier	TDBC Tenants	TDBC Tenants	None	FD/TAB 16/06/05
PB005	25-Apr-05 & 26-Apr-05	Presentation	Briefing to Housing & DLO staff on housing restructure and next steps for Stock Transfer Ballot	Carl Brazier & Malcolm Western	Housing & DLO Staff	Staff Briefing	None	FD/TAB 16/06/05
PB006	15-Jun-05	Core Brief	Housing Stock Transfer Work	Carl Brazier	All Managers & Staff	All Managers & Staff	None	FD/TAB 16/06/05
PB008	Summer 2005	Newsletter	Deane Dispatch	Carl Brazier	TDBC Residents	TDBC Residents	None	FD/TAB 16/06/05
PB009	26-May-05	E-mail	New Project Team	Carl Brazier	All Managers & Staff	TDBC Staff	None	FD/TAB 16/06/05
PB010	25-May-05	E-mail	New Project Team	Carl Brazier	TDBC Councillors	TDBC Councillors	None	FD/TAB 16/06/05
PB011	01-Apr-05	Report	Housing Stock Transfer Ballot Work	Carl Brazier	TDBC Councillors, Tenant & Senior Staff	Housing Review Panel - 01 June 05	None	FD/TAB 16/06/05
PB012	01-May-05	Report	Housing Stock Transfer Ballot Work	Carl Brazier	TDBC Councillors, Tenant & Senior Staff	Housing Review Panel - May 05	None	FD/TAB 16/06/05
PB013	01-Jun-05	Report	Housing Stock Transfer Ballot Work	Carl Brazier	TDBC Councillors, Tenant & Senior Staff	Housing Review Panel - June 05	None	FD/TAB 16/06/05
PB014	12-Apr-05	Meeting	Stock Transfer Update	Carl Brazier	TDBC Tenants Forum	TDBC Tenants Forum Pre-housing review panel meeting	None	FD/TAB 16/06/05

Appendix 1 - Communications Log

PB015	31-May-05	Meeting	Restructure Update	Carl Brazier	TDBC Tenants Forum	TDBC Tenants Forum Pre-housing review panel meeting	None	FD/TAB 16/06/05
PB016	14-Jun-05	Meeting	Stock Transfer update	Carl Brazier	Cllr John Clark	Cllr John Clark	None	FD/TAB 16/06/05
PB017	28-Jun-05	Meeting	Stock Transfer Briefing/Update	Carl Brazier	CMT/Executive	CMT/Executive - 28-Jun-05	None	FD 29/06/05
PB018	05-Jul-05	Meeting	Stock Transfer update	Carl Brazier	TDBC Tenants Forum	TDBC Tenants Forum Bi-Monthly Meeting	None	FD 7/07/05
PB019	14-Jul-05	Meeting	Stock Transfer update	Carl Brazier	TDBC Tenants Forum	TDBC Tenants Forum AGM	None	FD 15/07/05
PB020	19-Jul-05	Meeting	Stock Transfer update	Cllr Garner	Full Council	Full Council	None	FD 20/07/05
PB021	20-Jul-05	Meeting	Stock Transfer update	Carl Brazier	HSMT	HSMT	None	FD 20/07/05
PB022	20-Jul-05	Email	Stock Transfer update	Carl Brazier	All Managers & Staff	All Managers & Staff	None	FD 20/07/05
PB023	20-Jul-05	Email	Stock Transfer update	Carl Brazier	All Councillors	All Councillors	None	FD 20/07/05
PB024	18-Jul-05	Email	Staff Briefings Details	Carl Brazier	All Housing Managers & Staff	All SUMS	None	FD 20/07/05
PB025	25-Jul-05	Email	Staff Briefings Details	Carl Brazier	All Managers	All Managers	None	FD 26/07/05
PB026	25-Jul-05	Email	Staff Briefings Details	Carl Brazier	All Heads of Service	All Heads of Service	None	FD 26/07/05
PB027	23-Jul-05	Newsletter	Tenants' Talk Issue No 3 Summer 2005 'Stock Transfer update Invite for interest to join	Carl Brazier	All Staff/Tenants/Cllrs	All Staff/Tenants/Cllrs	None	FD 27/07/05
PB028	27-Jul-05	Letter	Shadow Board Update on Stock Transfer	Jayne Hares	Insight Group/Tenants Forum	Insight Group/Tenants	None	FD 27/07/05
PB029	27-Jul-05	Meeting	Process Update on Stock Transfer	Carl Brazier	Kevin Toller's Heads Meeting	Kevin Toller's Heads	None	FD 27/07/05
PB030	28-Jul-05	Meeting	Process	Carl Brazier	Sheltered Housing Forum AGM	Sheltered Housing Fo	None	FD 27/07/05
PB031	29-Jul-05	Meeting	Staff Briefing	Carl Brazier	Housing Staff	Housing Staff	None	FD 12/08/05
PB032	01-Aug-05	Meeting	Staff Briefing	Carl Brazier	Housing Staff	Housing Staff	None	FD 12/08/05
PB033	02-Aug-05	Meeting	Tenants Forum Meeting	Carl Brazier	Tenants Forum	Tenants Forum	None	FD 12/08/05
PB034	02-Aug-05	Meeting	Staff Briefing Update on Stock Transfer	Carl Brazier	All Staff	All Staff	None	FD 12/08/05
PB035	03-Aug-05	Meeting	Process	Carl Brazier	Members	Members	None	FD 12/08/05
PB036	03-Aug-05	Meeting	Staff Briefing	Carl Brazier	Building DLO Staff	Building DLO Staff	None	FD 12/08/05
PB037	04-Aug-05	Meeting	Staff Briefing	Carl Brazier	Housing Staff	Housing Staff	None	FD 12/08/05
PB038	09-Aug-05	Meeting	Staff Briefing	Carl Brazier	Building DLO Staff	Building DLO Staff	None	FD 12/08/05
PB039	10-Aug-05	Meeting	Staff Briefing	Carl Brazier	Housing Staff	Housing Staff	None	FD 12/08/05

Appendix 1 - Communications Log

PB040	11-Aug-05	Meeting	Staff Briefing	Carl Brazier	Housing Staff	Housing Staff	None	FD 12/08/05
PB041	12-Aug-05	Meeting	Staff Briefing	Carl Brazier	Housing Staff	Housing Staff	None	FD 12/08/05
PB042	15-Aug-05	Meeting	Staff Briefing	Carl Brazier	All Staff	All Staff	None	FD 12/08/05
PB043	19-Aug-05	Meeting	Staff Briefing	Carl Brazier	Building DLO Staff	Building DLO Staff	None	FD 12/08/05
PB044	22-Aug-05	Meeting	Staff Briefing	Carl Brazier	All Staff	All Staff	None	FD 12/08/05

Appendix 2

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE MANAGEMENT TEAM 19th JULY 2005

STOCK TRANSFER PROJECT MANAGEMENT ARRANGEMENTS

Purpose of Report

To outline the suggested Stock Transfer project management arrangements for TDBC.

The Proposal - Summary

The project will be managed in accordance with the principles of Prince 2.

The proposed governance structure is described in detail in **Annex 2**, and set out in diagram form in **Annex 1**.

Carl Brazier will be the full-time Project Manager, and will be supported by a full-time Project Administrator – Faye Davison, and by 3 full-time Project Officers – Martin Price, Jayne Hares and Tracey-ann Biss.

As the project progresses there will be a need to appoint a full-time “corporate project manager” to this project (funded from project budget).

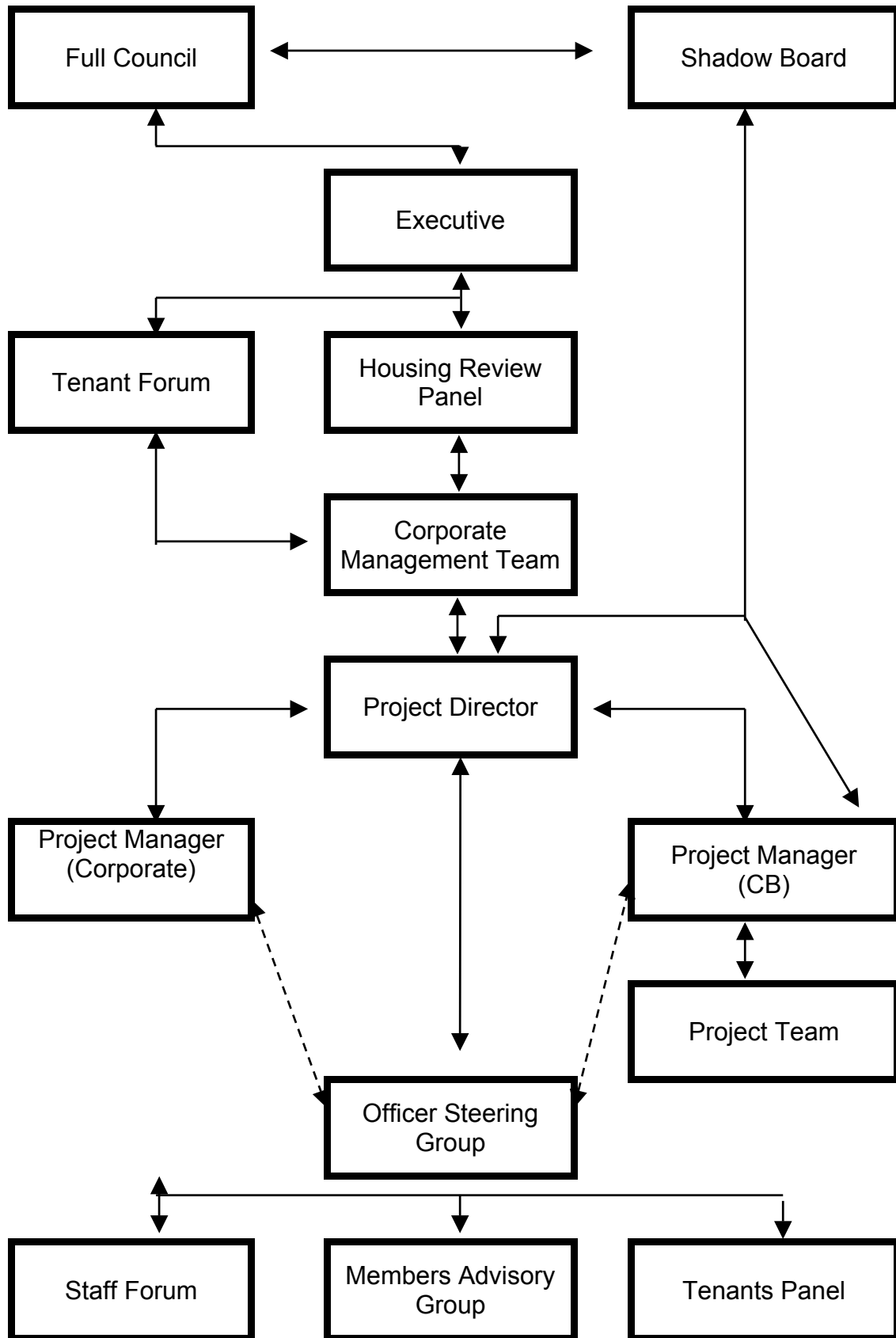
The vacancies created by these individuals will be back-filled (funding available).

There will also be input required to this project from other areas of the Authority.

Shirlene Adam
Strategic Director

Carl Brazier
Project Manager

STOCK TRANSFER PROJECT MANAGEMENT ARRANGEMENTS



STOCK TRANSFER PROJECT MANAGEMENT ARRANGEMENTS

Executive:

- Approves the strategic direction and outline scope of activity.
- Agrees the expected outcomes and benefits.

Shadow Board:

- Approves the strategic direction and outline scope of activity for the Proposed RSL.
- Agrees the expected outcomes and benefits for the Proposed Registered Social Landlord (RSL).

Elected Member Advisory Group:

- Provides political direction to the project.
- Reviews project progress and approve any exceptions to the agreed scope.
- Ensures process is properly aligned at all stages to the strategic outcomes required.
- Supports key communication processes.

Frequency of Meetings: Monthly

Members: Group Leaders and Portfolio Holder

Corporate Management Team:

- Owns the strategic vision for the project provides clear leadership and direction during the course of the project
- Receives reports on project progress

Frequency of Meetings: Weekly verbal updated at CMT by Project Director and monthly written highlight reports by Project Manager (CB)

Members: Penny James (Chair), Shirlene Adam, Joy Wishlade, Jeremy Thornberry, Kevin Toller, Brendan Cleere, Pete Weaver, Tom Noall, Malcolm Western.

Project Director:

- Accountable for the delivery of the corporate project
- Maintains close liaison and communication with Partners Authorities, CMT and Elected Member Advisory Group.
- Provides strategic direction to the project, responds to project issues and takes decisions to ensure project maintains momentum and that the timetable is achieved.
- Ensures business case is maintained and remains relevant to the overall strategic aims.

- Ensures that communications with internal and external stakeholders is effective.
- Manages the key strategic risks facing the project.
- To have ultimate responsibility for the project budget.
- Ensures that the organisational change is managed effectively.
- Meets with the project manager at least weekly to review progress
- Commissions and chairs reviews during the project to ensure alignment with objectives, capability of delivery and measurable achievement of benefits
- Chairs the TDBC Officer Steering Group

Project Director: Shirlene Adam

Officer Steering Group:

- Actively leads the project through monitoring and providing steer and challenge
- Supports the communication with staff, Members, Tenants and all external stakeholders as agreed through the Communication Strategy
- Receives reports on project progress
- Informs business scope
- Coordinates and provides all service specific information required by the project team at all stages of the procurement process.
- Takes decisions to resolves any business or project issues.
- Identifies and actively supports/leads the management of project risks
- Ensures adequate resources are available during the life of the project.
- Makes recommendations to CMT and the Shadow Board.
- Receives feedback and directs action from Tenant, Staff and Member advisory Group.

Frequency of Meetings: Monthly or as project issues demand. An away half-day took place on the 21st July with subsequent meetings taking place on the first Thursday of each month.

Officers:

Shirlene Adam (Chair), Carl Brazier (Project Manager), Faye Davison (Project Administrator), Malcolm Western (Acting Head of Housing) Kevin Toller (Head of Corporate Services), John Seabrook (Housing Asset Manager), Paul Carter (Finance Lead Officer), Lisa Wyatt-Jones (HR Lead Officer), Ian Taylor (Legal Lead Officer), David Thompson (Valuation / Asset Lead Officer), Ruth James (Communications Lead Officer), Chris Fullword (Unison Rep), Simon Porter (Staff Side Rep), Cathy Osborn – PWC (Lead Advisor), Hugo Stephens – Pinsent Masons (Legal Advisor), Sian Humphreys – Aldbourne Associates (ITA), Miles Seymour – Seymour-Cotton Partnership (Communication Advisor)

Staff Forum:

To act as a reference group for the project on staff views:

- Inform the Steering Group of staff views
- Participate in the communications process

Frequency of Meetings: Monthly

Members: To be decided

Tenants Panel:

To act as a reference group for the project on tenants views:

- Inform the Steering Group of tenants views
- Participate in the communications process

Frequency of Meetings: To be decided

Members: To be decided

Project Manager:

The Project Manager runs the project on a day-to-day basis. The main responsibilities of the Project Manager are:

- To have day to day management of the project management and to develop agreed outputs within budget and according to plan
- Direct and motivate the project team
- Project manage all stages of the project and provide relevant information including the timetable, communication plan and risk register
- Monitor progress, expenditure, resources and the initiation of corrective action
- Keep the Officer Steering Group, Project Director and CMT updated
- To brief, at least weekly, the Project Director on key project developments and communications with Advisors and other external bodies.
- Responsibility for project administration
- Manage the development of the communication strategy and delivery of the communications plan
- Manage the Lead Advisor, Legal Advisor and Communication Advisor and Support the ITA
- Assist the Project Director and Advisors on the appointment of the Shadow Board. To report to the Shadow Board on project progress at key points in the project. To act as lead officer to the Shadow Board.
- To be lead officer in relationships with the Government Office South West (GOSW), Community Housing Task Force (CHTF), Office Deputy Prime Minister (ODPM) and the Housing Corporation
- Take the lead role in consulting with our Tenants and Leaseholders

- In conjunction with the Project Director, lead on keeping Staff-Side, unison and Staff in general well informed and involved in developments throughout the process. This work will result in the creation of an Employment Protocol, the production of potential TUPE List and the creation and implementation of a Change management Strategy
- Take an active role in consulting with our Partners
- Take the lead role in developing and firming up on the details submitted in the Stock Transfer Application made to the ODPM
- Ensure the Council follows the guidelines of the ODPM Housing Transfer Manual

Project Manager: Carl Brazier

Project Team:

Specific responsibilities of the Project Office Team are:

- Coordinates all project activities to ensure delivery of identified project objectives and deliverables raising issues as necessary
- Provides the technical skills necessary for the effective delivery of identified project deliverables e.g. finance, communications
- Monitors delivery of the project against the project plan and within the scope of the project initiation document
- Assists in writing reports for all the various groups
- Manages the project issues log, risk register and plan, and actions log
- Provides project administration

Members of the Project Team:

Carl Brazier: Project Manager (F/T)

Martin Price: Project Officer (F/T)

Jayne Hares: Project Officer (F/T)

Tracey-ann Biss: Project Officer (F/T)

Faye Davison: Project Administrator (F/T)

Appendix 3

TAUNTON DEANE BOROUGH COUNCIL

BRIEFING NOTE ON THE ROLE AND RESPONSIBILITIES OF THE SHADOW BOARD OF THE PROPOSED RSL

1. INTRODUCTION

This briefing note sets out the rights and responsibilities of the Shadow Board of the new proposed RSL landlord ("the RSL").

2. SHADOW BOARD

2.1 The Shadow Board Members will be collectively responsible for the affairs of the RSL once it has incorporated as either an Industrial and Provident Society or a company limited by guarantee. The RSL may also be incorporated with charitable objects. The relative benefits of these proposed structures will be considered in due course.

2.2 We have suggested that the Shadow Board is made up of 12 Shadow Board Members, comprising of 4 Tenant Board Members, 4 Independent Board Members and 4 Board Members nominated by Taunton Deane Borough ("the Council").

2.3 The Shadow Board Members will be responsible for the running of the RSL. In practice, the day to day running of the RSL will be undertaken by the Council's staff at this stage but in legal terms the Shadow Board Members have collective responsibility for the RSL's affairs.

2.4 The Shadow Board Members will be given their powers of management by the constitution of the RSL which will commonly provide that the RSL will be managed by the Shadow Board who may exercise all the powers of the RSL. The constitution will require detailed consideration in due course and may include provision permitting borrowing money on behalf of the RSL and delegated powers to committees made up of one or more Board Members and other individuals (as appropriate).

2.5 In exercising their management role, Shadow Board Members are expected to comply with the Nolan Principles of public office, which are set out in Section 3 below.

2.6 The Shadow Board has a very specific role to play in the areas of strategy and policy, personnel, regulatory compliance and advocacy. These roles are explained in more detail in Section 4 below.

2.7 Shadow Board Members will owe various duties to the RSL. These can generally be classed as:-

- general fiduciary duties, which lie at the heart of their relationship with the RSL; and
- duties laid down by Act of Parliament, or "statutory duties". Shadow Board Members will be liable either under Criminal or Civil Law if they fail to carry out these duties properly.

2.8 Shadow Board Members will also have a number of rights in their role, including the right to work within a framework which protects them as far as possible from personal liability.

3. THE NOLAN PRINCIPLES OF PUBLIC OFFICE

Selflessness: Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or friends.

Integrity: Holders of public office should not put themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity: In carrying out public business, including making policy appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness: Holders of public office should be as open as possible about all decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty: Holders of public office have a duty to declare private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership: Holders of public office should promote and support these principles by leadership and example.

4. GENERAL RESPONSIBILITIES OF SHADOW BOARD MEMBERS

4.1 Strategic and policy responsibilities

The purpose of the Shadow Board is to provide leadership to the RSL. The Shadow Board will set the tone for the culture of the RSL, not only in the decisions they make, but also in the way they behave and interact with the staff, the project management groups and the Council's residents.

The Shadow Board has responsibility for developing the strategy of the RSL and governing it in the way it decides. All RSL policies, and the procedures to implement them, will need to be agreed by the Shadow Board. Policies will usually be drafted by senior managers and shown to the Shadow Board for approval and (where necessary) amendment.

It will be the job of the RSL's staff to implement these policies and to undertake the day-to-day management of the RSL. They must ensure that their actions are consistent with the RSL's policies and fall within their budgets and authorities. All aspects of service delivery and policy should be monitored and evaluated by the Shadow Board on a regular basis and policies revised as appropriate.

4.2 Employment and Personnel Responsibilities

The Shadow Board will be responsible for defining and reviewing the RSL's policies on employment and personnel procedures, including:-

- equal opportunities;
- contracts;
- staffing structure;
- dismissal;
- grievance and disciplinary;
- sickness;
- holidays;
- maternity/paternity/compassionate leave;
- salaries;
- appraisal;
- pensions;

- expenses, payments and training.

The Shadow Board will be required to take an active part in the recruitment of the RSL's senior managers. This could include some members of the Shadow Board serving on the interview panel for these posts and will need the Shadow Board to agree job descriptions, person specifications and terms of employment. It will be the Shadow Board's responsibility to ensure that senior managers fully understand their job descriptions and their duties.

The Shadow Board will be responsible for approving the overall staff structure, including the number and broad nature of these posts and their rates of pay. The Shadow Board will also be responsible for confirming the general terms and conditions of employment for all staff having regard to the likely Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE) from the Council to the RSL.

4.3 Regulatory Compliance

The Housing Corporation regulates registered social landlords/housing associations, and the Audit Commission inspects them regularly to ensure both compliance and value for money. The Shadow Board will need to ensure that there are procedures in place to ensure compliance with Housing Corporation requirements, and to alert the Shadow Board to any new requirements that are consulted upon or implemented.

4.4 Advocacy and Representative Responsibilities

Shadow Board Members will have an advocacy and representative role on behalf of the RSL, which can be fulfilled in a number of ways:-

- as a representative of the RSL in its relationship with its tenants, stakeholders and partners;
- by acting as a representative at external events, and meeting third parties (such as funders) and other organisations, including the Housing Corporation; and
- by keeping their eyes and ears open for information or opportunities which may be useful for the RSL, particularly residents' views of the Council's existing service provision and fundraising opportunities for community goals.

5. FIDUCIARY DUTIES OF SHADOW BOARD MEMBERS

5.1 The duty of skill and care

The most important of the general fiduciary duties is the duty of all Shadow Board Members to be diligent, businesslike and prudent.

From a practical point of view, this duty of skill and care requires a Shadow Board Member to attend meetings and become actively

involved both in the management of the RSL and in the decision making process.

Part of the duty to act as prudent men and women of business is to decide when it is appropriate for the Shadow Board to take independent advice (such as financial, investment, legal or other).

This is also reflected in the Housing Corporation's Regulatory Code and Guidance. If the RSL is incorporated with charitable objects great care must be taken as to how the RSL manages its assets.

The Shadow Board commonly possess the power to delegate its functions to sub-groups and/or staff, but the terms of any delegation must be clear, in writing, and regularly reviewed and monitored.

5.2 The duty to ensure that the RSL acts within its constitution

Shadow Board Members must take particular care to make sure that every proposed activity of the RSL falls within its permitted objects as is set out in its constitution.

5.3 The duty not to profit

This basically means that Shadow Board Members must act in the interests of the RSL at all times and must not profit from their position. A Board Member must not put himself or herself in a situation where personal interest would or might conflict with his or her duties as a Shadow Board Member. This also links in with the Housing Corporation's requirements (most notably in relation to Schedule 1 of the Housing Act 1996 – the "Payments and Benefits Regime").

6. STATUTORY DUTIES OF SHADOW BOARD MEMBERS

6.1 Environmental Liability

Environmental legislation imposes increasingly heavy responsibilities in relation to waste management and contaminated land. Failure to comply with these responsibilities would be a criminal offence on the part of the RSL and the Shadow Board Members and officers involved. If the stock transfer goes ahead, it will be important for the Shadow Board to put in place controls and reporting procedures to ensure that potential environmental liability is monitored properly and regularly.

6.2 Health & Safety

The Shadow Board must make sure that the RSL keeps within the health and safety legislation and employment legislation in general.

The Shadow Board are strongly advised to take out insurance cover against this liability.

6.3 Financial Liability

The RSL must comply with a number of statutory requirements relating to record keeping, filing of accounts, annual returns and appointing bankers and auditors. Each Shadow Board Member must be aware of the RSL's financial situation and be kept informed as to developments, on a regular basis.

7. LIMITING LIABILITY FOR THE SHADOW BOARD MEMBERS

7.1 The Shadow Board should make sure that individual Shadow Board Members and the Shadow Board as a whole are not placed in a position where negligence or breach of fiduciary duty can be attributed to them.

7.2 Shadow Board Members can minimise the risk of personal liability by:-

- understanding the RSL's constitution and making sure that it acts within them;
- ensuring that delegation by the Shadow Board to sub-groups, officers and others as permitted by the RSL's constitution and standing orders, is clear and in writing;
- making sure that a proper management structure exists, allowing the Shadow Board to make policy decisions and monitor their implementation;
- considering and implementing skills training for the Shadow Board Members where needed;
- obtaining professional advice when needed, keeping a note of the advice received if not in writing and making sure that it is clear and comprehensive;
- recording decisions in the minutes of the relevant meeting and showing how they were arrived at and on what advice they were based;
- insuring against liabilities where possible; and
- establishing clear disciplinary and grievance procedures for the Shadow Board Members.

PINSENT MASONS

JULY 2005

REPORT OF THE HEAD OF DEVELOPMENT TO THE EXECUTIVE ON 24 AUGUST 2005

PROPOSED ALLOCATION OF THE GOVERNMENT'S PLANNING DELIVERY GRANT 2005/06

This matter is the responsibility of Executive Councillors C Bishop and N Cavill.

1.0 Purpose of Report

- 1.1 To seek the Executive's approval for the allocation of the Government's 2005/06 Planning Delivery Grant (PDG) of £545,353 to the Council.

Executive Summary

The Council has been awarded a Planning Delivery Grant (PDG) of £545,353 in recognition of planning performance over the year ending 30 September 2004. The grant is slightly in excess of last year's award of £533,068 and compares favourably with other authorities in the region.

Following discussions at CMT and with the Executive Councillors, it is proposed to combine this year's grant with the carried over funds from last year and to budget for service improvements over two years in three main areas – Development Control, Forward Planning and The Vision for Taunton. Members are recommended to approve the detailed allocation of the grant in accordance with the table in the attached Appendix.

2.0 Background

- 2.1 We are now in the third year of the Government's PDG awards. The grant is allocated on the basis of planning performance and it is hoped that this will provide an incentive for authorities to meet or exceed key performance targets for planning. The grant is intended to assist improvements in the planning service, but may also be used for other purposes.
- 2.2 The final award for 2005/06 is a grant of £545,353 to TDBC. This puts us in the top quartile of awards across all local authorities in the country and is £12,285 more than we received last year.
- 2.3 The 2005/06 grant is based on the following factors:-
- Achievement of Development Control Targets - £355,671
 - Improvement in Development Control Performance - £47,295
 - A fixed sum of £5,000 for each of our two Enterprise Areas - £10,000
 - E-Government award for online planning services - £50,000
 - Submission of Local Development Scheme within target date - £54,545
 - Post-allocation adjustments - £19,333
 - Cap recycling adjustment - £8,509

3.0 Priority Expenditure Bids

3.1 The allocation of the 2004/05 grant has been discussed with the Executive Councillors and agreed by CMT.

3.2 The intention is to spread the expenditure over two financial years with an annual review following each year's PDG announcement.

3.3 The Government has stipulated that 25% of PDG for 2005/06 be reserved for capital spending.

3.4 Including the reserve carried over from last year's PDG, the available budget for 2005/06 – 2006/07 (as of 1 May 2005) is as follows:-

Revenue	-	£811,955
Capital	-	£136,338

3.5 In respect of revenue funding it is proposed to enhance service delivery in the following areas:-

- Retention of existing temporary staff in Development Control, Conservation and Forward Planning - £194,000.
- The Commissioning of essential consultants' reports and advice to assist the Forward Planning Unit in achieving the Local Development Scheme "Milestones" (future PDG awards will in part depend upon this - £165,500.
- Funding of the Vision Delivery Team - £315,000.
- The appointment of a part time clerical support officer in Planning Enforcement - £18,000.
- Printing of Local Plan and Local Development Framework documents - £25,000
- Staff and Members' training - £25,000

3.6 These revenue bids amount to £742,500 over the two years , leaving £69,455 unallocated at the present time.

3.7 In respect of capital funding, it is proposed that:-

- £25,000 be contributed towards the cost of new office accommodation for the Vision Delivery Team; and
- £20,000 be allocated for social or economic development initiatives in our two Enterprise Areas at Halcon and Lyngford.

The remaining £91,338 of capital funding is unallocated at the present time.

3.8 A more detailed breakdown and explanation of the expenditure allocations is given in the Appendix.

4.0 Non-Priority Bids

4.1 The bids outlined above have the support of CMT. Whilst a number of other potential revenue bids were considered it was felt that these should not be progressed at the present time. Instead it was felt that thought should be given to other means of service improvement embracing "invest to save".

- 4.2 CMT expressed concerns about the appointment of additional temporary staff (other than in Planning Enforcement) because of the future funding implications should PDG be withdrawn. If the staff are retained there will be implications for the Council Revenue budget. If they are not retained, performance is likely to decline. The Government has not decided if PDG will be retained for the longer term although it seems likely that it will continue at least for several years. The Government has said that it will consider whether the Development Control fee-earning service should be self-financing (costs balanced by fee income) and planning fees may be increased to this effect over the next few years. Should the latter apply, staff costs in future would need to be funded from fee income and this would determine staff numbers. In April 2005, planning fees were increased by an average of about 30%.
- 4.3 Further to the above, members need to be informed of a concern raised by the ODPM over the high caseload of planning applications per officer at Taunton Deane. In July 2004, Keith Hill, the Minister for Housing and Planning wrote to the Leader of the Council and referred to the excellent progress the Authority is making towards our specific performance standards. However he drew attention to a concern raised by his consultants over the high caseload of applications per officer which stood at 209 in 2003/04. This compares to the ODPM guidance of a sustainable caseload being around 150 applications per case officer. The consultants' report concluded that "the staff to workload ratio is currently unrealistic in terms of long term sustainability of performance" and that "officer caseloads should be reduced".
- 4.4 Since the Minister's letter, the number of case officers has increased by 1.5 FTEs (1 FTE on a permanent post and 0.5 FTE on a temporary contract funded by PDG) and the caseload of applications fell to 190 in 2004/05. This is still substantially above the ODPM guide and a case can be made for the appointment of an additional FTE case officer which would reduce the caseload of applications to 170 (based on 2004/05 figures). The cost of funding such a post for a two year period would amount to approximately £62,800 at the top of the scale. If this was to be funded from PDG a balance of £26,655 would remain unallocated at the present time.
- 4.5 A second non-priority bid relates to the appointment of a temporary part-time admin/clerical support officer (0.45 FTE) in Forward Planning. This post would assist in the preparation of the Local Development Framework which replaces the old local plan system. The new system requires much tighter timescales for plan delivery and greater community involvement. This in turn increases the need for admin/clerical support. The new planning system will give greater statutory weight to the Vision for Taunton and this post will assist in meeting deadlines. The post will release the professional officers from these additional clerical duties allowing more time to be devoted to plan delivery. The need for the post has been reconsidered by CMT who support the appointment on a one year contract, subject to review. The cost of the post will amount to £7,200 pa to be funded from the Planning Delivery Grant. If agreed the unallocated revenue reserve would reduce to £19,455.
- 5.0 Conclusion
- 5.1 The award of this year's grant should help us to maintain performance in Development Control and make substantial progress in delivering the Local Development Scheme "milestones". Performance in these two key areas will form the basis of future PDG awards. The grant will also enable us to meet the cost of the Vision Delivery Team over years one and two (including £50,000 pa in the Council's Revenue Budget).

- 5.2 While there is some uncertainty over the long term future of the PDG, the Planning Minister, Yvette Cooper has acknowledged the importance of adequately funding the planning system. In a recent statement she says:-

“We have increased resources for planning departments because they were under-resourced for many years. We were right to do that. Nobody should be in any doubt about how critical planners are to the aims of sustainable communities whether it involves small town regeneration, the development of the Thames Gateway or inner city retail developments. In every case, the work of planners is crucial.”

6.0 Recommendations

- 6.1 The Executive is requested to approve the priority bids for the allocation of the Planning Delivery Grant for 2005/06 as set out in the Appendix (Notes 1 to 16).
- 6.2 Members are asked to consider whether they would support the appointment of an additional Development Control case officer funded by PDG for two years as a “non priority bid” as set out in the Appendix (Note 17).
- 6.3 Members are asked to consider whether they would support the appointment of a 0.45 FTE clerical/admin support officer in Forward Planning funded by PDG on a one year contract (subject to review) as a “non-priority bid” as set out in the Appendix(Note 18).

Contact Officer: Tom Noall, Head of Development, ext. 2404, t.noall@tauntondeane.gov.uk

APPENDIX

PROPOSED PLANNING DELIVERY GRANT ALLOCATIONS **2005/06 – 2006/07**

NOTES	DESCRIPTION	2005/06
		£
	Carried forward (2004/05)	402,940
	Grant awarded (2005/06)	545,353
	Total available	948,293

	Reserve – available for Revenue	402,940
	New – available for Revenue	409,015
	New – available for Capital	136,338
	Total – available for Revenue	811,955
	Total – available for Capital	136,338
	Total available	948,293

PRIORITY BIDS **(supported by CMT)** **Revenue**

		<u>2005/06</u>	<u>2006/07</u>	
		£	£	
	<u>Retention of temporary staff:</u>			
1.	2 DC posts (1FTE)	25,000	25,000	
2.	1 Admin Support/Scanner (0.5 FTE)	10,000	10,000	
3.	1 Conservation Officer (1FTE)	25,000	30,000	
4.	1 Forward Planning Officer (1FTE)	34,000	35,000	
	Total	94,000	100,000	= 194,000

	<u>Key Studies for Preparation of Local Development Framework (LDF)</u>			
5.	Consultants Studies for Core Strategy and Taunton Town Centre Action Area Plan (TTCAAP)	50,000	25,000	
6.	Urban Capacity Study	17,500		
7.	Retail Capacity Study	30,500		
8.	Landscape Appraisal	22,500		
9.	Consultants to facilitate community engagement on Core Strategy and TTCAAP	10,000	10,000	
	Total	130,500	35,000	= 165,000

	<u>Vision for Taunton</u>			
10.	Vision Delivery Team	145,000	170,000	= 315,000
	<u>Miscellaneous</u>			
11.	Appointment of temporary Clerical Support Officer in Planning Enforcement	9,000	9,000	
12.	Printing Local Plan (LDF)	20,000	5,000	
13.	Staff Training	10,000	10,000	
14.	Member Training	5,000		
	Total	403,500	319,000	

REMAINING REVENUE 89,455

	<u>CAPITAL</u>			
15.	Vision Delivery Team Office Accommodation	25,000		
16.	Enterprise Areas	20,000		
	Total	45,000		

UNALLOCATED CAPITAL 91,338

NON PRIORITY BIDS
(questioned by CMT)

	<u>Revenue</u>			
17.	Appointment of temporary DC Case Officer (1 FTE)	31,400	31,400	
18.	Appointment of temporary Clerical/ Admin Support Officer (0.45 FTE) in Forward Planning	7,200		
	UNALLOCATED REVENUE	19,455		

NOTES

1. Extend existing contracts by two years – part time Development Control Case Officer and part time Planning Support Officer.
2. Extend existing contract by two years – duties include electronic scanning, admin support and secretarial support to Development Control Manager.
3. Retain key post in preparing Conservation Area Character Appraisals (new BVPI) – extend by two years, currently vacant following recent resignation of potholder.
4. Extend existing contract by two years to assist with LDF preparation and S106 guidance.

5. To carry out essential work for Taunton Town Centre Action Area Plan and Core Strategy (giving statutory weight to Vision for Taunton) re:-
 - Town Centre Vitality and Viability Survey for Taunton and Wellington (£15,000)
 - Employment Sites Survey (£10,000)
 - Pendleton E-Government Assessment/Planning Portal (£4,600)
 - Housing Needs Assessment (£20,400)
6. Study authorised by Executive last year. Essential work in identifying brown field housing potential.
7. Study authorised by Executive last year. Cost of work less than £50K initially assumed. Draft final report now received from Nathaniel Lichfield and Partners.
8. Existing contract for analysis of Landscape Character Areas approved by Executive last year will be completed in August 2005. New one year contract will carry out a detailed appraisal of Green Wedges, Special Landscape Features and Potential "urban extensions" for Taunton and Wellington.
9. Consultants to facilitate meetings and advise/support consultation process, also cost of publicity materials/events.
10. The anticipated funding requirement for the Vision Delivery Team in each of years one and two is £220,000. The PDG revenue contribution of £145,000 (plus £25,000 PDG capital funding for office accommodation plus £50,000 in the approved Revenue Budget) will cover the full cost of the Vision Delivery Team in 2005/06. The PDG revenue contribution of £170,000 in 2006/07 (plus £50,000 in next year's Revenue Budget) will cover the full cost in year two.
11. Two year appointment of part time support post to release two Planning Enforcement Officers from admin/clerical duties.
12. Printing of TD Local Plan already committed. Will also cover some of the costs of printing Local Development Scheme documents (Core Strategy and TTCAAP).
13. To contribute towards education/training costs of existing trainee planners leading to full professional qualifications.
14. External training for Planning Committee Members.
15. Contribution towards new office accommodation for Vision Delivery Team at East Reach House (to be occupied from 1 August 2005).
16. Intended for Social/Economic initiatives at Lyngford and Halcon.
17. Two year appointment of additional Development Control Officer to reduce annual caseload of applications from 190 per officer in 2004/05 to 170 in 2005/06 (ODPM target – 150 applications per year).
18. One year appointment of part time clerical/admin support officer in Forward Planning to assist with increased work arising from the new development plan system (Local Development Framework) and thereby releasing professional officers from clerical/admin duties. To be reviewed after one year.

EXECUTIVE

AUGUST 24TH

REPORT OF STRATEGIC DIRECTOR (JOY WISHLADE)

(This is the responsibility of Cllrs Bradley and Cavill)

TDBC and the Brewhouse

Executive Summary: TDBC's formal relationship with the Brewhouse Theatre be updated into a modern partnership arrangement as exists with other key partners such as Tone Leisure.

1. Background

- 1.1 TDBC has an ongoing commitment to the Brewhouse Theatre and its work, which goes well beyond just putting on productions and includes education and the wider visual arts. It is an important agent in delivering culture in its wider sense and providing a central location for the arts. In this way it contributes to our corporate priorities.

2. Current arrangement

- 2.1 TDBC currently manages its relationship via a joint Service Level Agreement with the county, which is monitored by the Brewhouse Panel. The Brewhouse Panel was set up in 1983 in order to consider the future workings and needs of the Brewhouse. The terms of reference of the Panel were revised in 1998 to better fit the requirements of the time. The main purpose defined in these revised terms of reference is "to monitor the management of the Brewhouse Theatre and Arts Centre and to consider proposals for future developments which might affect the Council". Two of its main responsibilities are to "approve release of the Council's grant on a periodic basis and to ensure that the funding provided by the Council is effectively used" and "to agree with the Theatre Management any Development and Business Plans and to monitor their achievement". Under the working arrangements it was proposed that the Brewhouse Panel met monthly and that a closer working relationship with the TDBC Arts Officer and the Chief Executive of the Brewhouse was developed.
- 2.2 In fact the current Brewhouse Panel meets twice a year. Monthly finance reports from the Brewhouse are sent to officers, the portfolio holder makes the decision about releasing the grant money and this decision is then forwarded to panel members. The Service Level

Agreement is based on a county-wide formula for key strategic organisations. A good working relationship has been established between the TDBC Arts Officer and the General Manager of the Brewhouse.

3. The case for change

- 3.1 The 1998 terms of reference and the agreed working arrangements of the Brewhouse Panel are in need of review and updating. They are no longer being fully followed as circumstances have changed over the past 7 years. Also the Brewhouse is now going through a fundamental review of its role and is planning to develop its business in line with this emerging role. A new chairman has been appointed and a new general manager has been recruited. The Brewhouse now seeks to work in a modernised partnership relationship with TDBC, one which gives them access to senior officers of TDBC and a structured and formalised route to report to Members via the main stream Review Panel arrangement.
- 3.2 This change would also fit in with TDBC's plans to improve scrutiny following the review of this function.

4. Partnership arrangements

- 4.1 TDBC works with a variety of partners but the most closely aligned to the partnership with the Brewhouse is its relationship with Tone Leisure. TDBC has an ongoing funding agreement with Tone Leisure supported by a business plan that Tone Leisure develops to reflect the targets and achievements that TDBC wants to see demonstrated. The day-to-day relationship is managed between operational TDBC officers and their counterparts within TL. The partnership relationship is managed at a quarterly partnership meeting between the two organisations chaired by a Strategic Director from TDBC. The Chief Executive and the Chair of the Trustees attend on TL's behalf, as do other relevant members of staff from both organisations. The Tone Leisure Board of Trustees has elected Member representation from TDBC. A bi-annual report on Tone Leisure's performance is presented to the Health and Leisure Review Panel.
- 4.2 It is proposed that the Brewhouse Panel is disbanded and a partnership arrangement similar to that used with Tone Leisure is introduced for managing the relationship with the Brewhouse. A funding agreement is already in place and would continue to be monitored by officers on a monthly basis. Formal accounts would be presented on a quarterly basis to the Partnership Meeting. The Business Plan and relevant performance monitoring arrangements would be agreed with the Brewhouse as part of this funding agreement and would take the place of the current Service Level Agreement.

Reports on these would be made to the Partnership Meeting on a quarterly basis.

- 4.3 The day-to-day relationship with the Brewhouse would continue to operate through the TDBC Arts Officer. The quarterly partnership meeting would be chaired by a TDBC Strategic Director and would be with the Chair of the Trustees and the new General Manager of the Brewhouse, plus relevant other senior staff from both organisations.
- 4.4 A report to the Health and Leisure Review Panel would be made on a quarterly basis.
- 4.5 There would be elected Member representation on the Brewhouse Board of Trustees.

5. Review Board

The Review Board discussed the report and recommended its approval.

6. Recommendation

That the Executive agree to disband the Brewhouse Panel and introduce a partnering arrangement in October 2005 to coincide with the new business planning process of the Brewhouse and the imminent introduction of updated scrutiny arrangements for TDBC.

Joy Wishlade
Strategic Director
August 2005

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE COMMITTEE

AUGUST 24TH

Report of Strategic Director: Joy Wislade

(This is the responsibility of Cllr Lewin-Harris, Community Development, and Cllr Hall, Corporate Resources)

TRAVEL PLAN DEVELOPMENT

1. Purpose of Report

To update the Executive on the development of the Travel Plan and to seek support on key issues.

2. Why does Taunton Deane Borough Council require a Travel Plan?

2.1 Improving transport and travel within Taunton Deane is a priority of this Council and it therefore has a community leadership role to ensure it is doing all that it can to support the management of congestion in the area both through implementation of policy and through managing the travel of its own workforce. Other key large organisations in Taunton already have Travel Plans and when working with new businesses wishing to locate to Taunton TDBC includes travel planning as part of the planning process. Car parking charges within the town have risen and Taunton Deane has been criticised for asking other workers in the town to pay increased rates whilst continuing to offer unrestricted free parking to a large proportion of employees. Taunton Deane should be leading by example.

3. What is a Travel Plan?

3.1 A Travel Plan is a package of measures, individually tailored to efficiently manage the transport impact of an organisation, and aimed at promoting sustainable travel choices.

3.2 A Travel Plan is a strategy designed to reduce the impact of traffic especially for the journey to and from work.

3.3 Travel Plans are aimed at promoting more sustainable travel to work by offering realistic transport choices.

3.4 Travel Plans are not “anti-car” but emphasise the travel choices that are available and offer practical measures on how to make them more accessible for everyone. Each travel plan should be individually tailored to address the particular needs of its employees and its location.

4. Progress to Date

- 4.1 A Travel Plan working group has been set up to consider what the Travel Plan should contain and how it will be implemented.
- 4.2 A Travel Plan should contain a series of “actions” and “targets” based around “carrot” and “stick” measures. The “stick” is the reduction in available free parking for staff. The TP group accept that the current proposal gets the principle that staff are not entitled to car parking as a matter of course established though there will be a need to develop the pricing & allocation policy in the future. The “carrot” measures that are suggested in the first instance are detailed in Paras. 5.4 – 5.8. Targets will be set around reduction in car use / growth in use of other forms of transport and will be set in detail once the Department for Transport advice has been sought as detailed in Para. 4.5.
- 4.3 Action to date has focused on the travel to and from work journeys. In the future, the Travel Plan will need to develop to include business trips and the TDBC fleet.
- 4.4 Staff Survey: To inform where to focus support measures and to give base line data, a staff survey was carried out.

The Travel Plan officer from SCC has assisted in a detailed analysis of the results. However, the key results of the staff survey are:

- 34% of respondents live within 2 miles of their workplace
- 53% live less than 5 miles from their workplace
- 21% have journeys that involve getting children to or from school on a regular basis
- 31% never need to use their car for work, 12% need it every day (although this includes DLO staff)
- 67.5% of those travelling by car do so alone

- 4.5 The Department for Transport are offering free help and advice to Councils developing Travel Plans. TDBC have applied and been accepted for this scheme. The DfT consultant will be advising on a number of issues and will help us to write the final document. As a Travel Plan is a living and developing document it is envisaged that a loose leaf folder will be produced of developments, milestones and targets. A smaller leaflet encompassing the main objectives and key measures of the Travel Plan will be produced for staff.

5. Development of the Travel Plan

- 5.1 The Travel Plan should include both “carrot” and “stick” measures. The measure to reduce car journeys is based on restricting free parking five days a week.
- 5.2 Following consultation with staff on a preliminary proposal, a second proposal was put to staff which has received broad in principle agreement. This proposal relates primarily to Deane and Flook House and has two elements:

- That staff are entitled to park in the staff car park on 4 out of 5 days a week only (i.e. they will have to nominate a “car free day”).
- That to park for the 4 days a week they will have to pay a nominal sum of around £1 a week, deductible from salary.
- Entitlement to car parking will be reviewed regularly and particularly as and when facilities such as park and ride schemes come on line.

There are a lot of details yet to be worked out around this and this will be done by September with a view to implementing in April 2006. The reason for delaying the implementation until then is to ensure that all details are clarified and that the new system has all the problems ironed out. April is also a better time of year to introduce measures to change travel behaviour – i.e. better weather, lighter mornings and evenings.

- 5.3 This timing also gives time for the support measures to be put in place. The analysis of the results from the staff survey suggests that the Travel Plan should focus particularly on the support measures for the 53% of staff who live within 5 miles of their work in order to have the greatest impact. However other measures such as Car Share Scheme and reduced bus tickets will also be brought in to support those staff living further afield.
- 5.4 **Cycling:** suggested actions to support this priority are
- More cycle storage provision
 - Further female shower provision
 - Provision of storage / drying for wet weather clothing / lockers
 - Purchase of 2 further staff pool cycles
 - Staff discounts at local cycle shops
 - Introduction of Government scheme for tax free purchase of bicycles by staff
 - A Bicycle User Group to be set up
 - Promotion of National Bike Week etc.
 - Promotion of cycle routes / lobbying for more
 - Help to identify safer routes to work for individuals
- 5.5 **Walking:** suggested actions to support this priority are:
- Personal alarms to be available for staff
 - Umbrellas for staff to borrow are purchased
 - Staff discounts at walking shop specialists
 - Provision of storage / drying for wet weather clothing
- 5.6 **Car Sharing:** suggested actions to support this priority are:
- High profile launch of the Somerset Car Share Scheme (including sessions in the LRC)
 - Meetings for those from communities where the survey shows a reasonable number of staff live – so that they can meet potential car sharers. (Particularly Bridgwater and Wellington).
 - Marked bays reserved for car sharers

- 5.7 **Public Transport** would become a lower priority in terms of focus as it will have the least major impact. However some actions would still be included in the Travel Plan:
- Information from local bus companies on routes / services / timetables
 - Route planning service
 - High priority launch of new services (e.g. Park and Ride) as they come on stream
 - If there is sufficient usage – discounts on season tickets etc negotiated.
- 5.8 **Home Working**
TDBC already has an Home Working Policy which sets out the guidelines for staff to work from home. Staff will be encouraged to discuss with their managers the opportunity for them to work from home on a regular basis. The relevant requirements in terms of IT provision etc. will be provided as arrangements are approved.
- 5.9 Monitoring of the Travel Plan: monitoring will take place via an annual electronic staff survey to see what changes in behaviour has taken place. The Department of Transport have offered free consultancy on developing the Travel Plan and we are particularly be asking for advice on this issue.

6. **Financial & Resource Implications:**

6.1 Capital resources will be required for the following:

- Increased shower provision
- Increased cycle storage
- Wet weather storage / drying area
- Purchase of two further staff pool bikes
- Umbrellas
- Personal alarms
- Changes required to make the car parking scheme work

A grant of 50 % of the total capital spend up to a limit of £4,000 is available from Somerset County Council.

6.2 A small amount of revenue funding is required for PR activities. This can be found from within current budgets

6.3 Income: the staff survey showed that 240 staff currently work at Deane House or Flook House and travel by car. If all 240 pay £1 per week the potential income is £12,480. This income will be ring fenced for improvements to facilities to support the travel plan.

7. **Timing**: in order to show that TDBC is providing the “carrot” as well as the “stick” it is recommended that at least some of the support measures are brought in before the change to staff car parking. This therefore requires some funding to make the capital improvements to the premises prior to the revenue stream coming on line. Some of the support measure (personal alarms, umbrellas and the new staff bikes) can be purchased from within current

budgets but others such as the provision of further cycle storage and the provision of lockers / drying area and a further female shower will require funding. Costs are being investigated but it is anticipated that around £12k will be needed in 2005 / 06. This of course will be recouped during 2006/07 as the revenue income from the scheme materialises – thereby ensuring that this scheme has no impact on the local taxpayer. Members will be required to make amendment to the approved capital programme to reflect this timing.

8. PR Plan

A draft PR plan and logo “Cutting Congestion” has been produced (logo is attached)

9. Review Board Discussion

The Review Board supported the Travel Plan paper after discussion that included the following points:

- There was overall support for the Travel Plan and its objectives
- Generally it was felt to meet our community leadership role and also one that would take staff support with it.
- There was general support for the 4 days allocated parking and 1 car free day – this was considered to have an impact on congestion
- It was suggested that the charge for staff parking was too low and should either be increased or scrapped. A motion to increase the cost to £5 a week was defeated.
- It was felt that the document should more proactively encourage car sharing (report amended)
- The recommendation for the capital expenditure was supported.

The Executive are asked to consider the points raised at the Review Board

9. Recommendations

- That the Executive support the actions and priorities identified within the Travel Plan
- That the Executive support the capital expenditure of approximately £12,000 in advance of this being brought back to the organisation via the charging for car parking (thereby ensuring no impact on the taxpayer?)

Joy Wishlade
Strategic Director
August 2005