

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 5 SEPTEMBER 2005

Report of Strategic Director (Shirlene Adam)

(This matter is the responsibility of Executive Councillor T Hall)

JOINT VENTURE ARRANGEMENTS FOR CORPORATE SERVICES

EXECUTIVE SUMMARY

This report builds on the first three drafts of the Outline Business Case previously presented to the Executive on 22 June, 20 July and 24 August 2005. It summarises the further joint work carried out by Taunton Deane Borough Council and Somerset County Council, setting out the two councils' joint vision and ambitions for the Isis programme.

It also sets out a summary position on the programme's affordability.

1. Purpose of the Report

1.1 This report adds to the Outline Business Case presented to the Executive on 24 August 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)

by summarising Taunton Deane Borough Council and Somerset County Council's joint ambitions for the proposed Isis programme.

1.2 The Executive is asked to:

a) Endorse the work done to date on the two councils' joint objectives and end goals, as summarised in Appendix 1

b) Note the joint financial position summarised at Appendix 2

c) Note the joint scoping statement attached at Appendix 3

2. Background

2.1 If the Isis programme is to succeed, it is crucial that both councils share the same vision and expectations about what this proposed strategic partnership will achieve.

2.2 Earlier this summer the Corporate Directors teams of Taunton Deane Borough Council and Somerset County Council developed initial joint objectives for the programme. Further work has since taken place during August to clarify what our shared ambitions are, and what joint visions and expectations both councils have for this proposed partnership arrangement.

2.2 The programme objectives are as follows:

- **To make customer-facing services more accessible, and to improve their delivery**
- **To modernise, reduce the cost of and improve corporate, transactional and support services**
- **To help modernise and transform the overall workings of Taunton Deane Borough Council and the County Council**
- **To invest in new world class technologies to improve productivity**
- **To create an excellent working environment and a more sustainable employment future for staff**
- **To generate economic development by attracting a partner willing to invest in Taunton Deane**

2.3 These objectives are set against the need to provide better access for customers to improved services, to achieve efficiencies and to provide better value for money for the taxpayer.

3. Wider organisational change

3.1 Whilst the primary focus of Isis is on corporate support and transactional services, it is widely recognised that any changes in these areas will impact across the whole organisation.

3.2 To achieve any consistent form of excellence in customer service will require significant changes within both councils. These changes are likely to revolve around:

- Radical culture change to achieve greater customer focus
- Significant staff training
- Detailed consultation involving customers in service redesign
- Significant service redesign
- A thorough review of front line service delivery, focusing in particular on when, where and how we deliver to our customers. This will include undertaking a review of property requirements jointly with the County Council and other partners
- Breaking down barriers within and between the councils, and with other partners

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

3.3 If we are to achieve ambitious aims in these areas, 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'.

3.4 The objectives and the end goals they are seeking to achieve, and the culture of the organisation that will deliver this are set out in Appendix 1.

4. Affordability

4.1 The Draft 3 Outline Business Case approved by the Executive on 24 August included an outline of the financial case to support the overall Business Case. Essentially this summarised 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.

4.2 The financial model summarised the affordability of the different business models highlighted in Draft 1 of the Outline Business Case. From these summaries, it was apparent that it is not financially viable for this council to consider undertaking such a partnership arrangement alone; the programme does become viable however if the two councils undertake this proposed partnership arrangement together.

4.3 The Outline Business Case presented on 24 August set out this joint position although at that time it was shown as a confidential "pink" paper. This joint position is now shown at Appendix 2.

5. Joint scoping of services

The Taunton Deane Borough Council services proposed as being in scope of Isis were summarised in the Draft 3 paper of 24 August. A similar scoping table showing the joint proposed "in scope" services is set out at Appendix 3.

6. Recommendations

6.1 The Executive is requested to:-

- i. Endorse the joint objectives and end goals set out in Appendix 1;
- ii. Note the joint summary financial position shown at Appendix 2;
- iii. Note the joint scoping table shown at Appendix 3.

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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”

Executive 24 August 2005 - “Joint Venture Arrangements for Corporate Services”

Appendix 1

Objective	The End Goal	The Culture
To make customer-facing services more accessible, and to improve their delivery	<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 of how they access services with 90% of service enquiries resolved at initial point of contact • Customers experience excellence through personalised and localised services, including 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, every 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) <ul style="list-style-type: none"> • Open and inclusive • Information sharing • Continually improving • Multi-skilled • Process efficient • Cross fertilisation
To help modernise and transform the overall workings of the County Council and Taunton Deane Borough 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"> • Delivery focused, (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 business opportunities • Investment will come in a number of ways: <ul style="list-style-type: none"> ➢ Money ➢ People <ul style="list-style-type: none"> ○ Skills ○ BPR ➢ ICT ➢ Buildings 	<ul style="list-style-type: none"> • Able to diversify and expand to incorporate new business
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) • Investment is made in the development and training of staff
To generate economic development by attracting a partner willing to invest in Taunton Deane	<ul style="list-style-type: none"> • Economic regeneration, investment and employment opportunities 	<p>An organisation that challenges some traditional perceptions of the public sector ethos</p>

Appendix 2

The attached financial model sets out the joint estimated outturn position for Taunton Deane Borough Council and Somerset County Council by summarising in outline the overall financial viability of each of the different business model options, based on the assumptions set out in full at Draft 3 of the Outline Business Case presented on 24 August.

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				JOINT POSITION			
STANDSTILL QUO - no customer access improvements	NIL Investment	-7.52			NIL Investment	-28.44		
Assumptions								
<ul style="list-style-type: none"> - Customer Access aspirations delivered - 15 year contract 								
OPTIONS	Investment £m	Level of Efficiencies			Investment £m	Level of Efficiencies		
		Low	Med	High		Low	Med	High
DO IT OURSELVES	6	-7.60	-5.07	-2.13	30	-3.33	20.24	50.85
	8	-9.74	-7.21	-4.27	40	-13.99	9.58	40.19
	10	-11.89	-9.35	-6.41	50	-24.68	-1.11	29.50
JV - TUPE	6	-10.17	-7.58	-3.21	30	-5.72	21.04	58.97
	8	-10.17	-10.17	-6.39	40	-21.47	3.74	44.97
	10	Not viable	-10.17	-9.54	50	-35.33	-6.77	30.97
JV – SECONDMENT	6	-7.70	-6.16	-2.52	30	-4.72	23.98	62.42
	8	Not viable	-7.70	-4.97	40	-16.98	9.98	49.46
	10	Not viable	-7.70	-7.70	50	-27.34	-4.02	35.46

Joint Scoping Statement

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
HR Department	<p>HR advice & guidance</p> <p>Case work</p> <p>Health & Safety audit/ inspection</p> <p>Training delivery/ support e-HR</p> <p>Payroll/ HR admin</p> <p>Management information</p> <p>Recruitment (incl S Staffing, Dillington Advertising)</p> <p>Pay and Reward</p> <p>Help Desk</p>	<p>HR Advice & guidance</p> <ul style="list-style-type: none"> - Recruitment & selection - Employee relations - General advice on employment related issues - Design and review policies and procedures <p>Health and safety</p> <p>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</p> <p>Payroll/ HR Admin</p> <p>Management Information</p> <p>Occupational health</p>	<p>Strategic direction</p> <p>Major HR policy</p> <p>High profile/ sensitive areas</p> <p>Dillington House</p> <p>Wyvern Nursery</p>	<p>Strategic direction</p> <p>eg policy formulation, management development need analysis, IIP /OD work</p>

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
Legal Services	Provision of conveyancing function and advice on property law to include <ul style="list-style-type: none"> ▪ Aspects of Compulsory Purchase Orders ▪ General property work ▪ Property legal advice ▪ Planning agreement ▪ County Farm sales ▪ Highways adoption agreement ▪ Social services agreement ▪ Deeds storage ▪ Compensation claims Debt Collection		Monitoring officer role. Education and child care: (child care, schools advice & casework, adoption, SEN, schools prosecutions, some adult social services & mental health work). Environmental: Planning, highways, RoW, Regulation Ctee, Commons, Waste, Advocacy at inquiries. Employment law. General non-property advice for other Departments. Support to Lord Chancellor's Advisory Ctee and Coroners' links.	Legal Advice to Members and officers across most of the Council's services and functions Assist with probity issues Carry out all the Council's conveyancing and deal with most of the construction contracts Deal with Planning enquiries and Sec 106 agreements Carry out most of the Council's prosecutions and represent the Council in other court proceedings Provides specialist legal support on major legal issues and co-ordinates external legal advice where required on major projects Organises funerals for those who have nobody willing and able so to do Provide replies to Local land charges searches. Maintain the Local Land Charges register. Make appropriate records available for personal searchers.

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
Finance Department	<p>Contract monitoring & mangt.</p> <p>Statutory returns, audit & inspection support.</p> <p>Monitoring corporate standards.</p> <p>Provide management info re finance & procurement.</p> <p>Leasing administration.</p> <p>Pensions administration & advice.</p> <p>Implement procurement strategy and support.</p> <p>Insurance cover & fund admin.</p> <p>Support and admin to Dept.</p> <p>Accounting & budget advice.</p> <p>Support financial systems development.</p> <p>Training on financial systems.</p> <p>Supplier payment processing.</p> <p>Payroll processing.</p> <p>Income processing & debt management.</p> <p>Implement FIS strategy.</p> <p>Procurement advice.</p>	<p>Accountancy:</p> <p><u>Financial Strategy:</u></p> <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 <p><u>Budget Monitoring (Capital & Revenue)</u></p> <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 <p><u>Technical Financial Matters</u></p> <ul style="list-style-type: none"> • Fixed Asset charges • Collection fund preparation and forecasting • VAT advice and preparation of monthly VAT return • Analysis of the impact of new legislation • Maintenance of the current Financial Management System 	<p><u>S151</u></p> <ul style="list-style-type: none"> ▪ Internal audit ▪ Strategic risk management ▪ High level finance & procurement advice ▪ Corporate MTFP ▪ Standards & key controls ▪ Determining financial information systems in liaison with the partner ▪ Financial training/competence standards ▪ Quality Assurance <p><u>Non SCC Activity (undertaken on behalf of national organisations)</u></p> <ul style="list-style-type: none"> ▪ CCN/PATS support team <p><u>Pension Fund and Treasury Management</u></p> <ul style="list-style-type: none"> ▪ Strategic pensions & treasury management ▪ Advice to pension fund's admitted bodies, actuary ▪ Pension fund management ▪ Daily cash flow management <p><u>Other</u></p> <ul style="list-style-type: none"> ▪ National policy development, lobbying 	<p>Internal audit.</p> <p>S 151 role</p>

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
		<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 • VAT and CIS tax compliance • Travel warrants <p>Purchase order maintenance</p>		

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
ICT Department	ICT Strategy Performance Management Service Level Management Governance Options appraisal. Corporate Datacentre. Disaster recovery. Application support, development and standards. Partnership developments (SOL). Web development. Directorate support. Research and development delivery BPR. Project management. Infrastructure support/ DBA. ICT training. Help desk/2 nd line support. Desktop Support WAN & LAN Networking	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 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	Strategic planning and direction. Programme planning Security policy Information Management Strategy Information Management Compliance	Strategic advice/ planning (eg intellectual property rights)

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
	Procuring, developing and integrating systems. ICT elements of Schools Blue Book Services ICT development Infrastructure design and implementation. Network design. Ordering, installing and maintaining all desktop equipment ICT training Hosting and running business critical systems Management of intranet, internet and extranet services Providing Active Directory Services Maintain and safeguard data and assets R & D of emerging technology ICT advice and Consultancy Analysing business needs & option evaluation Implementing ICT solutions	Hardware installation and support Desktop installation and support Asset management Licence management Performance and capacity monitoring and management		

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
Property Services	Property Review Property data management Asset Management planning Procurement Lettings, Acquisitions and Disposals Valuations Rating Option appraisals Cost planning and cost checks Tenders and contracts Performance management of providers Post project evaluation Business management Payments to suppliers QA Health and safety compliance Maintenance programmes Consultancy services Emergency call-out Asbestos removal Temporary buildings Minor works Surveys Grounds maintenance and trees Play equipment Inspections Servicing Architectural and M&E design Capital programme S106 claims and LDFs	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) 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	Strategic Estates management Local Plans and s106 policy Corporate property standards Ownership of Property Data and property assets	

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
		<p>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.</p> <p>Health and safety of properties (asbestos, legionella etc).</p> <p>Flooding Advice and Signposting</p> <p>Drainage Advice</p> <p>GIS service</p>		
Customer Services	<ul style="list-style-type: none"> ▪ Maintain & develop use of Somerset Direct customer contact centres and CRM service In conjunction with District Councils ▪ Provision of a network of face-to-face customer service centres ▪ Provision of an expanded range of 'self serve' services available through a variety of electronic channels including web, digital TV, SMS text messaging, web casting, video conferencing ▪ Provision of technological solutions to support and enhance customer access capabilities across all access channels ▪ Provision of expanded range 	<p>Front-line provision of customer contact for:</p> <p>Main reception</p> <p>Revenues</p> <p>Benefits</p> <p>Limited Parking Services</p> <p>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:</p> <p>Main switchboard</p> <p>Revenues</p> <p>Benefits</p> <p>Payments</p> <p>Waste Management</p> <p>Land Charges</p> <p>Parking Services</p> <p>Democratic Services</p> <p>Electoral Registration – information service only</p> <p>Planning</p> <p>Elements of Environmental</p>		

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
	<p>of mobile and peripatetic services for customers in their own homes and communities unable to access our services by other means</p> <ul style="list-style-type: none"> ▪ Implementation and operation of all customer access facilities increasing transactional capabilities over time ▪ Comments, feedback and complaints process integrated with CRM system and used to inform development. ▪ Customer surveys to assess satisfaction and shape future services 	<p>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 Information Centre and Council Information Point. Provision of venue for Housing Advice; Police Beat Surgery; Benefit Advisor</p>		
Design and Print inc Central Despatch	<p>Print services to CC Depts</p> <p>Print services to members/ctees</p> <p>Print services to external customers</p> <p>Copy services or members/ctees</p> <p>Design service for CC Depts</p> <p>Design service for members/ctees</p> <p>Design service for external customers</p> <p>County Hall mail/parcels collection & delivery</p>	<p>Print Room Services</p> <p>Graphic Design</p>		

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
	County Hall courier service Copy services to CC Depts Copy services to external customers			
Facilities Management	Management of : Central telephones Pay and Display system with TDBC County Hall reception	Postal Services Corporate DIP Programme Staff Services Provision of word processing and data facility. Maintains and operates Job Application Phone Line. 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 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	Security / Access control Car/Bike Pool, car parking Area accommodation Facilities support staff group	Admin support (for legal services and member services)

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
		in place and any changes passed to the appropriate officer Management of window & office cleaning contracts		
Catering and Cleaning Services			Catering Cleaning	
Procurement	Procurement advice (see Finance entry)	Strategic procurement Purchasing and supplies functions		
Revenues and Benefits Services		REVENUES Collection Control Council Tax Income Non Domestic Rates Sundry Debts BENEFITS 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;		

Service	In Scope		Out of Scope	
	SCC	TDBC	SCC	TDBC
		Mortgages; Discretionary Housing Payments; Training (for internal as well as external stakeholders); Verification/intervention visiting; Welfare visiting (assisting in claim completion); Take-up (including Partnership arrangements with CAB); Specifications and testing for IT enhancement		

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