

# Taunton Deane Borough Council

**Executive – 17 June 2009**

## **Pioneer Somerset – Moving Forward**

### **Report of the Strategic Director (Kevin Toller)**

(This matter is the responsibility of Councillor Ross Henley, Leader of the Council)

#### **1. Purpose of the Report**

- 1.1 To seek the agreement of the Executive on additional funding for the Pioneer Somerset Project.

#### **Executive Summary**

This report sets out proposals for programme management arrangements for the Pioneer Somerset Programme and the associated resource requirements. The proposals are those of the Pioneer Somerset Board (comprising the Leaders of the 6 Councils).

The matter was considered by the Corporate Scrutiny Committee on 8<sup>th</sup> June, and their views are reported. The funding will be considered by Full Council on 14<sup>th</sup> July.

#### **2. Background**

- 2.1 Pioneer Somerset is a programme of work, supported by the Regional Improvement and Efficiency Programme (REIP) designed to radically transform and enhance the system of two tier local government across the County. It's three aims are:
  - To achieve annual revenue savings arising from enhanced two tier working of £20m, by 2012/13 (base year 2007/08);
  - For every principal authority in Somerset to achieve levels of overall resident satisfaction in the National top quartile by 2013;
  - To achieve a marked improvement in the perception, reputation and recognition of Somerset and each of its local authorities, including positive Direction of Travel and Use of Resources ratings in the new Comprehensive Area assessment of level 3 or above by 2013.
- 2.2 This report follows the phase 1 report taken through all Councils in the Partnership at the end of last year /beginning of 2009. That report set out the way forward for the Pioneer Somerset programme, including establishing 3 priority work streams and clear governance arrangements.

- 2.3 That report set out the intention to bring in SOLACE Ent Ltd to review progress with the programme; identify barriers to future delivery and assist the Pioneer Somerset Board to develop solutions to move the programme forward. This assessment of the programme is now complete and culminated in a workshop on the 17<sup>th</sup> April involving the Pioneer Somerset Board, Deputy Leaders, Chief Executives and key officers from the Directors Group.
- 2.4 The workshop represented a 'water-shed' event for the Pioneer Somerset programme and significant progress was made in a number of areas. The workshop:-
- Re-affirmed the vision and outcomes of the Programme
  - Re-affirmed the previously agreed priority work streams agreed as part of the Phase 1 report, i.e. customer access, shared services and community leadership but a very significant fourth priority work stream was added – see para 3.1 below
  - Identified a number of 'first priority' shared service proposals which officers have been instructed to work up proposals for consideration at the next Pioneer Somerset Board meeting in May – see section 3.
  - Agreed programme management arrangements considered essential to build and maintain momentum with the programme – see section 4. Each Leader will now ensure that any necessary approvals are obtained in their Council to put the resources in place to establish the programme management arrangements, hence this report.

### **3. Priority Work Streams**

- 3.1 In considering the issue of priority work streams, discussion widened into the likely on-going budget difficulties that the public sector and in particular local authorities are likely to face in forthcoming years as the government of the day looks to rebalance the nation's books beyond the current recession. National indications suggest that the original 'efficiency' savings target applied to Pioneer Somerset will be insignificant alongside the likelihood of more substantial public sector budget reductions in the future. Radical action is required by the 6 councils at this stage to prepare the sector for the impact of this level of budget reduction and there was a determination at the workshop to tackle this issue head on, together and at speed as a fourth priority work stream.
- 3.2 The identification by the Pioneer Somerset Board of priority shared service proposals to be moved forward quickly and the intention beyond that to have a rolling programme of shared service schemes signals the future intent of the Board as does the intention to have a 6 council workshop on July 31<sup>st</sup> to discuss forward budget planning and how we can support each other in achieving the level of savings predicted to be required across the sector.
- 3.3 Much preparatory work has been going on in relation to the potential to bring forward shared service options under the priority work stream. In order to provide a greater level of clarity and impetus to this work, the Pioneer Somerset Board has agreed clear priorities for review. Officers have been

instructed to bring forward proposals as a matter of urgency in 4 key areas which offer potential for shared services, namely:

- (a) the virtual 'majors' team proposal
- (b) operational housing / strategic housing functions
- (c) equalities and diversity functions
- (d) legal services.

- 3.4 The Pioneer Somerset Board has also asked the Somerset Waste Partnership to actively market the partnership to neighbouring authorities beyond the County boundary. It is clear from research into two-tier 'pathfinders' that in the area of 'waste' Somerset is well ahead 'of the game' and the Board considers that there is potential to benefit from this.
- 3.5 This is the first stage in a rolling programme of shared service developments that the Pioneer Somerset Board will be looking to take to the 6 councils for approval. The 6 Leaders were unanimous in their support for moving this work forward.

#### **4. Programme Management Arrangements**

- 4.1 There was recognition at the workshop that the unexpected loss of the appointed programme manager last June had stalled delivery of the programme and that if the momentum now being achieved is to be maintained then additional dedicated officer capacity for the programme at this stage is absolutely essential. This re-affirmed the view of Joint Scrutiny Panel. Various options were considered but the Pioneer Somerset Board agreed to the appointment as soon as possible of:
  - a dedicated independent Chief Executive for the Programme
  - a dedicated Programme Manager
  - additional dedicated professional and administrative support necessary to support the above appointments.
- 4.2 This represents a variation from the potential models for programme management set out in the phase 1 report but in the opinion of the Board best fits the current context within which the programme finds itself.
- 4.3 Further draw down of RIEP (Regional Improvement and Efficiency Partnership) funding is not possible at this stage to support these appointments and therefore the Leaders agreed to seek the necessary resources from their respective councils up to a total budget of £350k (full year estimated costs) and proportioned across the 6 Councils as 'invest to save' bids. The apportionment to TDBC is £13,400. Any agreement to provide TDBC funding is conditional on the other councils' contributions being forthcoming. It is expected that funding beyond 2009/10 for the remainder of the programme will come from savings made by the programme.
- 4.4 The programme management appointments are considered essential if the potential benefits of Pioneer Somerset are to be achieved. Insufficient capacity at officer level has stalled progress and even with programme

management arrangements in place there will still be a significant impact on existing staff of the 6 councils.

## **5. Views of the Corporate Scrutiny Committee**

The Corporate Scrutiny Committee considered this report at their meeting on 8<sup>th</sup> June 2009. The key issues arising were:

- Concern that there could be no guarantee that the investment in programme management in this way would deliver the required results;
- Concern that investing this sum of money in the current economic climate was inappropriate;
- Concern about appointing what would be seen as a 7<sup>th</sup> Chief Executive in Somerset;
- Concern that the position of the new leadership at SCC was not yet known, and that TDBC should wait until such time as SCC's position was clear before proceeding further.

In conclusion the Corporate Scrutiny Committee decided that it was not supportive of this way forward, recommending that Pioneer finds alternative ways of making the required savings without spending £350k. The Committee also took the view that there was no need for an additional layer of management, particularly in the light of the original Unitary bid which stated that the Council's already had too much senior management.

## **6. Recommendation**

- 6.1 The Full Council be asked to agree to drawing £13,400 from reserves to cover TDBC's part of the project management costs on the basis of invest to save.

### **Background Papers:**

Pioneer Somerset - Update. Report of the Leaders of the six Somerset Councils - Executive 14<sup>th</sup> January 2009

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