

A meeting of the **OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING)** will be held in **CIVIC SUITE 0.1A, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, PE29** on **THURSDAY, 9 JULY 2015** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 1 - 4)

To approve as a correct record the Minutes of the meeting held on 4 June 2015.

L Berridge 388026

2. NOTICE OF KEY EXECUTIVE DECISIONS (Pages 5 - 10)

A copy of the current Notice of Key Executive Decisions is attached. Members are invited to note the Plan and to comment as appropriate on any items contained therein.

**Democratic Services
388015**

3. BUDGET MONITORING 2015/15 (REVENUE & CAPITAL) (Pages 11 - 26)

C Mason, Head of Resources will present the Budget Monitoring 2015/16 (Revenue & Capital) report to the Panel.

C Mason 388157

4. MARKETING STRATEGY AND BRANDING FOR HUNTINGDONSHIRE (Pages 27 - 62)

S Bedlow, the Economic Development Manager, will present a report on Marketing Strategy and Branding for Huntingdonshire to the Panel.

S Bedlow 387096

5. SHARED SERVICES (Pages 63 - 76)

J Lancaster will present a report outlining the overall approach to the development of the first phase of the Shared Services programme to the Panel.

J Lancaster 388301

(a) LEGAL SHARED SERVICES BUSINESS CASE (Pages 77 - 98)

To consider a report by J Lancaster providing the business case to establish a Legal shared service and detailing the activities to create the Legal shared service.

(b) ICT SHARED SERVICES BUSINESS CASE (Pages 99 - 122)

To consider a report by J Lancaster providing the business case to establish an ICT shared service and detailing the activities to

create the ICT shared service.

6. WORKPLAN STUDIES (Pages 123 - 126)

To consider the work programmes of the Social and Environmental Well-Being Overview and Scrutiny Panels.

L Berridge 388026

7. OVERVIEW AND SCRUTINY PROGRESS (Pages 127 - 130)

To consider a report on progress of the Panel's activities.

L Berridge 388026

8. SCRUTINY (Pages 131 - 140)

To scrutinise decisions taken since the last meeting as set out in the Decision Digest and to raise any other matters for scrutiny that sit within the remit of the Panel.

**Democratic
Services 388169**

Dated this 1 day of July 2015



Head of Paid Service

Notes

1. Disclosable Pecuniary Interests

(1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*

(2) *A Member has a disclosable pecuniary interest if it -*

(a) relates to you, or

(b) is an interest of -

(i) your spouse or civil partner; or

(ii) a person with whom you are living as husband and wife; or

(iii) a person with whom you are living as if you were civil partners

and you are aware that the other person has the interest.

(3) *Disclosable pecuniary interests includes -*

(a) any employment or profession carried out for profit or gain;

(b) any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);

(c) any current contracts with the Council;

(d) any beneficial interest in land/property within the Council's area;

(e) any licence for a month or longer to occupy land in the Council's area;

(f) any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or

(g) a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.

Non-Statutory Disclosable Interests

(4) *If a Member has a non-statutory disclosable interest then you are required to declare that interest, but may remain to discuss and vote providing you do not breach the overall Nolan principles.*

(5) A Member has a non-statutory disclosable interest where -

- (a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
- (b) it relates to or is likely to affect a disclosable pecuniary interest, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association, or
- (c) it relates to or is likely to affect any body –
 - (i) exercising functions of a public nature; or
 - (ii) directed to charitable purposes; or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of control or management.

and that interest is not a disclosable pecuniary interest.

2. Filming, Photography and Recording at Council Meetings

The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and available via the following link [filming, photography and recording at council meetings.pdf](#) or on request from the Democratic Services Team. The Council understands that some members of the public attending its meetings may not wish to be filmed. The Chairman of the meeting will facilitate this preference by ensuring that any such request not to be recorded is respected.

Please contact Ms Lucie Berridge, Scrutiny Officer, Tel No. 01480 388026/e-mail Lucie.Berridge@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the District Council's website – www.huntingdonshire.gov.uk (under Councils and Democracy).

If you would like a translation of Agenda/Minutes/Reports or would like a large text version or an audio version please contact the Elections & Democratic Services Manager and we will try to accommodate your needs.

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the OVERVIEW AND SCRUTINY PANEL (ECONOMIC WELL-BEING) held in Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon, PE29 on Thursday, 4 June 2015.

PRESENT: Councillor G J Bull – Chairman.

Councillors T D Alban, P L E Bucknell,
E R Butler, Mrs A D Curtis, L George,
D Harty, B Hyland, J M Palmer, M F Shellens
and J E White.

APOLOGY: Apologies for absence from the meeting were submitted on behalf of Councillor R S Farrer.

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108. MINUTES

The minutes of the meetings held on 9th April and 20th May 2015 were approved as correct record and signed by the Chairman.

109. DECLARATIONS OF INTEREST

No declarations of interest were received.

110. NOTICE OF KEY EXECUTIVE DECISIONS

The Panel considered and noted the current Notice of Key Executive Decisions (a copy of which is appended in the Minute Book).

111. ECONOMIC GROWTH PLAN REVIEW

The Executive Councillor for Strategic Economic Development and Legal introduced the report to the Panel, asking for recommendation for the report to be taken onwards to Cabinet. The Economic Development Manager informed the Panel that the strategy was based on a full economic assessment, and that this report is required by Cabinet ever second year.

Members questioned how Huntingdonshire District Council (HDC) will manage the possibility of overheating in the demand for housing. The Panel were informed that economic and market indicators are monitored in order to prevent this, and that there is a requirement to attract new employees with relevant skills to the area. Members were reassured that this issue is not cause for concern.

The Panel raised the issue of affordable housing provision in the County, and it was explained by the Economic Development Manager that this topic is not a priority for the report presented as it is not critical to economic growth; this would be dealt with by another department in the Council, although it may be beneficial to 'knit' the

two together in future.

The Panel congratulated the Economic Development Manager on the work completed, and endorsed the report for submission to Cabinet.

112. PROGRAMMES AND PROJECTS, INCLUDING FACING THE FUTURE

The report on Programmes and Projects was presented to the Panel. The report is intended as an update for Members on changes to the way projects are managed within Huntingdonshire District Council (HDC), including the new role of the Programmes and Projects Manager.

The Panel were informed that all existing projects have been categorised by the Project Select Committee and then allocated them to the most appropriate Overview and Scrutiny Panels. The Facing the Future project is closed, and now features eight projects.

It was explained to the Panel that project documents will now be held within the Sharepoint site, and Councillors can request documents from Officers.

Members queried the Pre-Initiation Process Map (appendix B) and whether the scrutiny process should be included. The Panel were informed that the diagram concentrates on the project at the conception stage, and that the scrutiny panels will come later on in the process.

113. CORPORATE PLAN PERFORMANCE MONITORING (QUARTER 4)

The Economic Well-Being Panel expressed appreciation on the clarity and simplicity of performance reporting.

With regard to Community Infrastructure Levy (CIL), Members were informed that discussions regarding major infrastructure are still ongoing. The Executive Leader confirmed that this would not affect development. The Panel enquired about the transparency of how CIL funds are spent by Parish Councils. It was noted that Parish Councils are not required to justify how CIL money is spent but HDC are working with partners to agree priorities in local areas.

The Panel commented that the targets included in the report on Council Tax and Business Rates collection were particularly high and enquired how the District Council had performed against the national average. It has subsequently been confirmed that 2014/2015 national outturn figures are not currently available but details will be included in future reports.

The Panel questioned staff sickness figures and references to staff satisfaction, commenting that the two matters did not appear to be reflective of one another. Members noted that issues surrounding staff sickness/ satisfaction were currently being addressed, with assurance that the Employment Panel were working to tackle these issues.

In conclusion, the Panel agreed that the report was an improvement on previous reporting and looked forward to seeing further development in future.

114. PROVISIONAL OUTTURN 2014/15

The Overview and Scrutiny Panel (Economic Well-Being) considered a report on the 4th June 2015 by the Head of Resources on Provisional Outturn 2014/15. The Panel were informed that money that has been saved in this time frame will be invested back into the Council. Feedback on the report was positive, with discussion focussing on those savings achieved in 2014/15. Members recommended that the report be approved by Cabinet.

115. TREASURY MANAGEMENT STRATEGY 2014/15 OUTTURN REPORT

The Overview and Scrutiny Panel (Economic Well-Being) considered a report on the 4th June 2015 by the Head of Resources on the Treasury Management Strategy 2014/15 Outturn Report. The Panel recommended that the report be approved by Cabinet.

116. DISPOSAL AND ACQUISITIONS POLICY

The Overview & Scrutiny (Economic Well-Being) Panel held on the 4th June 2014 recommended that:

- Where disposal and acquisition decisions are made, that these are retrospectively reported to the Panel.
- The new financial thresholds are reviewed 12 months following approval.

In both respects the Policy attached at Appendix 1 has been updated accordingly.

117. WORKPLAN STUDIES

The Panel received and noted a report (a copy of which is appended in the Minute Book) which contained details of studies being undertaken by the Overview and Scrutiny Panels for Social Well-Being and Environmental Well-Being.

118. OVERVIEW AND SCRUTINY PROGRESS

With the aid of a report (a copy of which is appended in the Minute Book) the Panel reviewed the progress of its activities since the last meeting.

119. SCRUTINY

The 155th Edition of the Decision Digest was received and noted.

Chairman



NOTICE OF KEY EXECUTIVE DECISIONS INCLUDING THOSE TO BE CONSIDERED IN PRIVATE

Prepared by Councillor J D Ablewhite
Date of Publication: 17 June 2015
For Period: 1 July 2015 to 31 October 2015

Membership of the Cabinet is as follows:-

Councillor J D Ablewhite	- Executive Leader of the Council	3 Pettis Road St. Ives Huntingdon PE27 6SR Tel: 01480 466941 E-mail: Jason.Ablewhite@huntingdonshire.gov.uk
Councillor R C Carter	- Executive Councillor for Operations & Environment	5 The Paddock Bluntisham Huntingdon PE28 3NR Tel: 07986 325637 E-mail: Robin.Carter@huntingdonshire.gov.uk
Councillor S Cawley	- Executive Councillor for Organisational Change & Development	6 Levers Water Huntingdon PE29 6TH Tel: 01480 435188 E-mail: Stephen.Cawley@huntingdonshire.gov.uk
Councillor D B Dew	- Executive Councillor for Strategic Planning & Housing	4 Weir Road Hemingford Grey Huntingdon PE28 9EH Tel: 01480 469814 E-mail: Douglas.Dew@huntingdonshire.gov.uk

Councillor J A Gray - Executive Councillor for Resources	Vine Cottage 2 Station Row Catworth Huntingdon PE28 0PE Tel: 01480 861941 E-mail: Jonathan.Gray@huntingdonshire.gov.uk
Councillor R Harrison - Executive Councillor for Strategic Economic Development & Legal	55 Bushmead Road Eaton Socon St Neots PE19 8GC Tel: 01480 406664 Email: Roger.Harrison@huntingdonshire.gov.uk
Councillor R Howe - Deputy Executive Leader of the Council with responsibility for Commercial Activities	The Old Barn High Street Upwood Huntingdon PE26 2QE Tel: 01487 814393 E-mail: Robin.Howe@huntingdonshire.gov.uk
Councillor D M Tysoe - Executive Councillor for Customer Services 9	Grove Cottage Maltings Lane Ellington Huntingdon PE28 OAA Tel: 01480 388310 E-mail: Darren.Tysoe@huntingdonshire.gov.uk

Notice is hereby given of:

- Key decisions that will be taken by the Cabinet (or other decision maker)
- Confidential or exempt executive decisions that will be taken in a meeting from which the public will be excluded (for whole or part).

A notice/agenda together with reports and supporting documents for each meeting will be published at least five working days before the date of the meeting. In order to enquire about the availability of documents and subject to any restrictions on their disclosure, copies may be requested by contacting the Democratic Services Team on 01480 388169 or E-mail Democratic.Services@huntingdonshire.gov.uk. Agendas may be accessed electronically at www.huntingdonshire.gov.uk.

Formal notice is hereby given under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that, where indicated part of the meetings listed in this notice will be held in private because the agenda and reports for the meeting will contain confidential or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. See the relevant paragraphs below.

Any person who wishes to make representations to the decision maker about a decision which is to be made or wishes to object to an item being considered in private may do so by emailing Democratic.Services@huntingdonshire.gov.uk or by contacting the Democratic Services Team. If representations are received at least eight working days before the date of the meeting, they will be published with the agenda together with a statement of the District Council's response. Any representations received after this time will be verbally reported and considered at the meeting.

Paragraphs of Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) (Reason for the report to be considered in private)

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the Financial and Business Affairs of any particular person (including the Authority holding that information)
4. Information relating to any consultations or negotiations or contemplated consultations or negotiations in connection with any labour relations that are arising between the Authority or a Minister of the Crown and employees of or office holders under the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the Authority proposes:-
 - (a) To give under any announcement a notice under or by virtue of which requirements are imposed on a person; or
 - (b) To make an Order or Direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Huntingdonshire District Council
 Pathfinder House
 St Mary's Street
 Huntingdon PE29 3TN.

Notes:- (i) Additions changes from the previous Forward Plan are annotated ***
 (ii) Part II confidential items which will be considered in private are annotated ## and shown in italic.

✓ Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Community Chest Grant Aid Awards 2015/16 ***##	Grants	9 Jul 2015		Dan Smith, Community Health Manager Tel No. 01480 388377 or email: Dan.Smith@huntingdonshire.gov.uk	Paragraphs 1 - 3	J A Gray R Harrison	Social Well-Being
Benefits Risk Based Verification Policy ##	Cabinet	16 Jul 2015		Amanda Burns, Benefits Manager, Benefits Manager Tel No. (01480) 388122 or email: Amanda.Burns@huntingdonshire.gov.uk	Paragraph 7	D M Tysoe	Social Well-Being
Commercial Investment Strategy	Cabinet	16 Jul 2015		Colin Luscombe, Estates Strategic Assessment Tel No. 01480 387086 or email: Colin.Luscombe@huntingdonshire.gov.uk		J A Gray	Economic Well-Being

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Draft Huntingdonshire Design Guide Supplementary Planning Document	Cabinet	16 Jul 2015	Draft Supplementary Planning Document	Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 or email: Paul.Bland@huntingdonshire.gov.uk		D B Dew	Environmental Well-Being
Home Improvement Agency - Annual Report	Cabinet	16 Jul 2015		Trish Reed, Housing Strategy Manager Tel No. 01480 388203 or email: Trish.Reed@huntingdonshire.gov.uk		D B Dew	Social Well-Being
Marketing Strategy & Branding for Huntingdonshire	Cabinet	16 Jul 2015		Sue Bedlow, Economic Development Manager Tel No. 01480 317096 or email: Sue.Bedlow@huntingdonshire.gov.uk		R Harrison	Economic Well-Being
The Risk Management Strategy***	Cabinet	16 Jul 2015		David Harwood Internal Audit and Risk Manager, Tel No. 01480 388115 or email: David.Harwood@huntingdonshire.gov.uk		J A Gray	Economic Well-Being
Shared Services - Legal/I.T/Building Control	Cabinet	16 Jul 2015		Mrs Joanne Lancaster, Managing Director Tel No. (01480) 388001 or email: Jo.Lancaster@huntingdonshire.gov.uk		S Cawley	Economic Well-Being
Civil Parking Enforcement	Cabinet	17 Sep 2015		Alistair Merrick, Interim Head of Operations Tel (01480) 388388		R Howe	Environmental Well-Being
Housing Register Lettings Policy Amendment***	Cabinet	17 Sep 2015		Jon Collen, Housing Needs and Resources Manager Tel No. 01480 388220 or email: Jon.Collen@huntingdonshire.gov.uk		D Tysoe	Social Well-Being
Scheme of Delegation for the Scrap Metal Dealers Act 2013***	Cabinet	17 Sep 2015		Chris Stopford, Head of Community Services Tel No. 01480 388280 email: chris.stopford@huntingdonshire.gov.uk		R Harrison	Social Well-Being

Subject/Matter for Decision	Decision/ recommendation to be made by	Date decision to be taken	Documents Available	How relevant Officer can be contacted	Reasons for the report to be considered in private	Relevant Executive Councillor	Relevant Overview & Scrutiny Panel
Huntingdonshire Infrastructure Business Plan***	Cabinet	22 Oct 2015		Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 email: Paul.Bland@huntingdonshire.gov.uk		D Dew	Environmental Well-Being
Local Plan to 2036 - Proposed Submission***	Cabinet	22 Oct 2015		Paul Bland, Planning Service Manager (Policy) Tel No. 01480 388430 email: Paul.Bland@huntingdonshire.gov.uk		D Dew	Environmental Well-Being

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Budget Monitoring 2015/16 (Revenue & Capital)

Meeting/Date: Overview & Scrutiny – 9th July 2015
Cabinet – 16th July 2015

Executive Portfolio: Resources: Councillor J A Gray

Report by: Head of Resources

Ward(s) affected: All or list individual Ward(s)

Executive Summary:

Budget Monitoring 2015/16

Attached at Appendix 1 is the May Financial Performance Monitoring Suite, the highlights from this report are:

- **Revenue Forecast Outturn**

The net 2015/16 revenue budget that was approved by Council in February 2015 was £18.881m. After £0.262m carry forwards from 2014/15 were approved by Cabinet in June 2015; this has resulted in an updated budget of £19.143m. As at the end of May, the year-end forecast outturn is some £0.681m less than planned.

- **Capital Forecast Outturn**

The 2015/16 capital programme of £11.065m was approved by Cabinet in April 2015 and this resulted in a net budget of £9.637m. As a consequence of budget carry-forwards of £0.274m, the updated capital budget for 2015/16 is £9.363m. To date little has been spent of the capital programme.

- **General Fund Reserve**

The 2015/16 Medium Term Financial Strategy (MTFS) anticipated that the general fund balance at the end of 2015/16 would be £9.334m, this included a budgeted contribution to reserves of £0.797m. At this time, the forecast outturn is predicting a contribution of £1.216m to the general fund reserve. The potential estimated balance at the end of the year would be £10.503m.

- **New Homes Bonus**

The New Homes Bonus calculation is based on data collected over the twelve months between October and September each year. The target housing growth to the end of May 2015 was 560. Currently the position shows 374, a decrease of 186 properties resulting in an estimated reduction in New Homes Bonus of £0.244m.

Recommendation(s):

The Cabinet is requested to note the financial performance to date and comment as it considers necessary.

1. PURPOSE

- 1.1 To update members, in line with best practice and agreed budget monitoring reporting cycles, on the revenue and capital forecast outturn for 2015/16 based on information available at the end of May 2015.

2. BACKGROUND

2.1 Budget Monitoring

- 2.1 Since December 2013, members have been receiving the Financial Performance Monitoring Suite (FPMS), which incorporates the Financial Dashboard.
- 2.2 This report updates members on the 2015/16 revenue and capital forecast outturn; including a forecast outturn for the General Fund. Detailed commentary is shown in the Financial Performance Monitoring Suite for the period April to May 2015/16.

3. REVENUE AND CAPITAL OUTTURN FORECASTS

Variations in Revenue Spend

- 3.1 As a consequence of Accountancy concentrating on the production of the Annual Financial Report, detailed budget monitoring has not started in earnest for 2015/16. However, it is opportune to report to members the early strategic variances to budget and the resulting forecast outturn.
- 3.2 The net revenue budget approved in February 2015 was £18.881m. In June 2015 Cabinet approved carry forwards of £0.262m from 2014/15 which resulted in an updated budget of £19.143m. At this time, the predicted net revenue forecast outturn is £18.462m, £0.681m lower than planned.

Variations in Capital Spend

- 3.3 The Council approved the 2015/16 capital programme of £11.065m in February 2015. In April 2015 Cabinet approved the Finance Governance Board's (FGB) recommendations that the capital programme be reduced by £1.428m after further scrutiny and challenge. Together with the approved carry forwards of £0.274m the updated capital budget for 2015/16 is £9.363m as detailed in the table below.

Capital Summary	£'000
Original Approved Budget	11,065
Approved reductions by FGB	1,428
Approved carry forwards from 2014/15	274
Updated Capital Programme	9,363

- 3.4 As at the end of May 2015, the majority of capital projects have not started; however as a consequence of receiving Disabled Facility Grant there is currently a new surplus on the capital programme of £0.401m. A summary of the main reasons for the current position of the capital programme is shown below.

Capital Programme 2015/16 - Commentary on Actuals to May 2015

Head of Community

The camera replacement budget (£87,000) is reactive, and won't be spent until cameras breakdown and need replacing. Expenditure on Loves Farm Community Centre, will be funded from S106 grants. Huntingdon West Development (£1.2m), until CIL payments are agreed this will not be paid, payments are likely to be in significant amounts.

Head of Leisure and Health

The synthetic pitch replacement (£118,000) at St Neots has been agreed by cabinet, but has not commenced yet. The expansion at One Leisure Huntingdon (£795,000) and Replacement Fitness Equipment (£200,000) are subject to further review by the Finance Governance Board before commencement. The retention for development works at One Leisure St Ives (£60,000).

Head of Resources

The sale of land at St Marys Street (£420,000), is expected to complete in July 2015, the Housing Association loan is subject to a due diligence process and will not be advanced until that is complete.

Head of Customer Services

The ICT Virtualisation budget (£75,000) is allocated to the Microsoft Enterprise licence, which is due later in the year. The server virtualisation and network budget (£20,000) is for replacement equipment and this will be spent as the need arises.

Head of Operations

The sale of the GreenHouse at St Ives (£235,000) is progressing with the house currently under offer. Vehicle Fleet Replacement (£761,000) is subject to a long lead time and so will not be spent until later in the year. The Salix Buidlgin Efficiency budget will be used to replace the air handling unit at One Leisure Huntingdon. The Environment Strategy budget (£30,000) is planned to be spent on Loves Farm Community Centre for installing energy saving measures. The contribution (£500,000) towards the multi-storey car park is expected imminently.

Head of Development

Expenditure on Disabled Facilities Grants (£1.1m) has commenced, with grant from government received in advance of expenditure (£554,000).

Use of General Fund Balances

- 3.5 The 2015/16 Medium Term Financial Strategy (MTFS) anticipated that the general fund balance at the end of 2015/16 would be £9.334m, including a contribution in year of £0.797m.
- 3.6 At this time, the forecast outturn is predicting a contribution of £1.216m to the general fund reserve. The potential estimated balance at the end of the year would be £10.503m. A summary of the general fund reserve is shown in the Financial Performance Monitoring Suite.
- 3.7 This has a consequential impact on the expected use of general fund reserves by:
- reducing the amount needed to balance the 2014/15 budget.
 - providing flexibility to spread the level of future savings over a longer period.

New Homes Bonus

- 3.8 Members will recall that the annual cycle for New Homes Bonus is October to September. Based on current information, the target for the end of May was 560 properties, to date 374 have been built - a shortfall of 186.

4. COMMENTS OF OVERVIEW & SCRUTINY PANEL

- 4.1 *To be included after the O&S committee on the 9th July 2015.*

5. LEGAL IMPLICATIONS

- 5.1 No direct legal implications arise out of this report.

5. RESOURCE IMPLICATIONS

- 5.1 The resource implications are noted within this report.

6 REASONS FOR THE RECOMMENDED DECISIONS

- 6.1 To inform members of the ongoing budgetary position to aid in good governance and financial stewardship.

7. LIST OF APPENDICES INCLUDED

Appendix 1 – Financial Performance Monitoring Suite

BACKGROUND PAPERS

Working papers in Accountancy

CONTACT OFFICER

Clive Mason, Head of Resources

 01480 388157

Rebecca Maxwell, Accountancy Manager

 01480 388117

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FINANCIAL PERFORMANCE MONITORING SUITE

May 2015

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Clive Mason
Head of Resources

Prepared By:
Sue Martin
Principal Accountant

Headlines – Financial Performance

The 2015/16 financial performance of the Council, based on May 2015 actuals, is as follows:

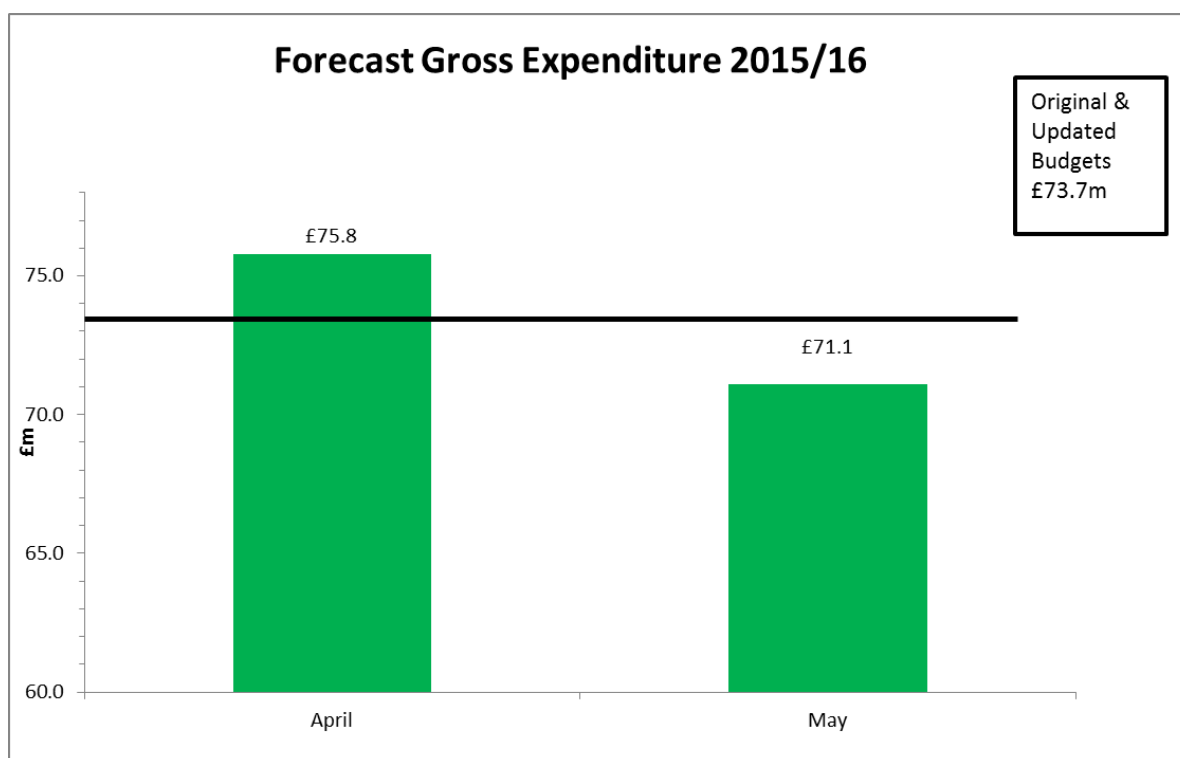
- Page 3
- Forecast net spending is £18.462m, which is £0.681m lower than planned.
 - Forecast contribution to reserves has increased to £1.216m; taking into account the carry forward adjustments of £0.262m and additional forecast revenue surplus of £0.681m.

May 2015 Revenue Outturn Forecast	Original Budget	Updated Budget	Forecast	Forecast Variation Compared to :-			
	£'000	£'000	£'000	Original Budget	Updated Budget	Original Budget	Updated Budget
				£'000	%	£'000	%
Net Revenue Expenditure	18,881	19,143	18,462	(419)	-2.2	(681)	-3.6
Use of Reserves	797	535	1,216	419	52.6	681	127.3
Budget Requirement	19,678	19,678	19,678				
Financing:-							
NDR & Council Tax surplus	4,242	4,242	4,242				
Government Grant (Non-specific)	7,668	7,668	7,668				
Council Tax for Huntingdonshire DC	7,768	7,768	7,768				
General Fund Reserve							
Balance as at 1st April 2015	8,537	8,537	9,287 (A)	750	8.8	750	8.8
Contribution to Service Expenditure	797	535	1,216				
Outturn forecast as at 31 March 2016	9,334	9,072	10,503	1,169	12.5	1,431	15.8

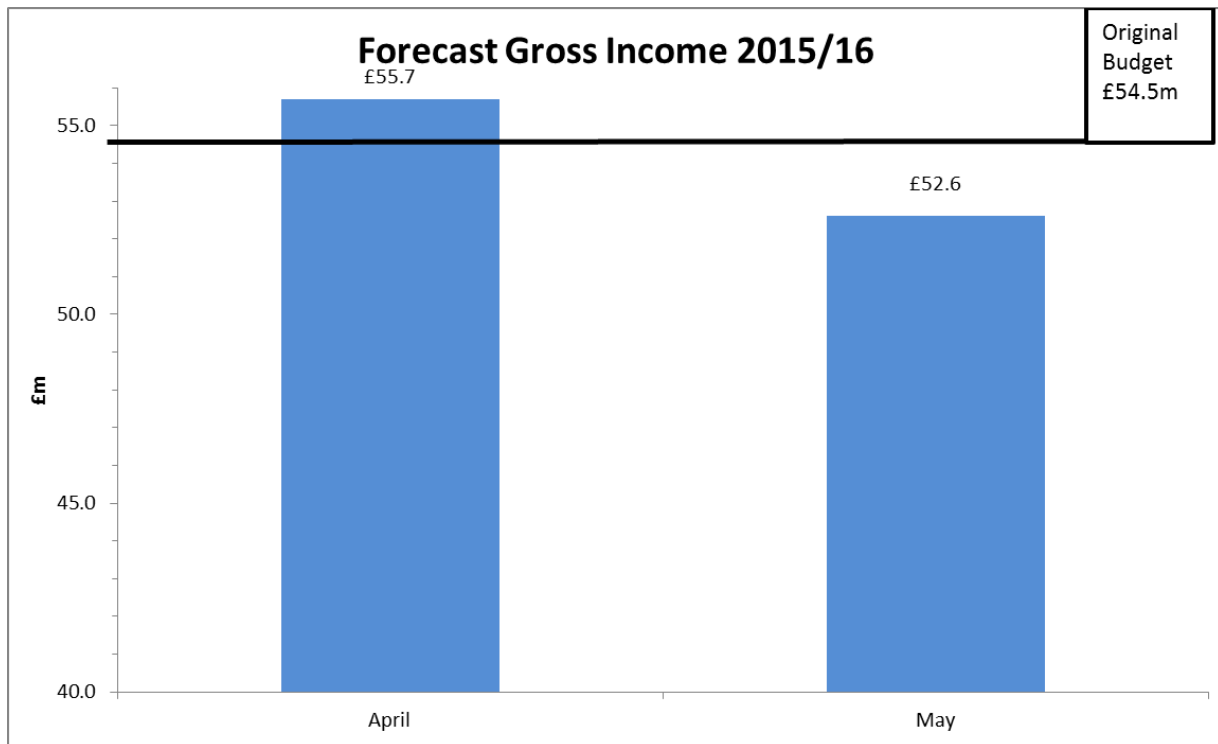
May 2015 Net Revenue Variance Analysis by Service	Budget	Forecast
	£'000	Outturn £'000
Approved Net Revenue Budget 2015/16	18,881	18,881
Approved Carryforwards from 2014/15	262	262
Updated Net Revenue Budget 2015/16	19,143	19,143
Variations		
Employee Costs - Council wide vacancies and cost of living not paid.		(333)
Car parks - ZBB budget adjustments not implemented		(86)
Other - minor variations		(81)
		(500)
Technical Adjustment		
Business Rates profile adjustment		(181)
HDC Net Expenditure	19,143	18,462

Financial Dashboard (May 2015)

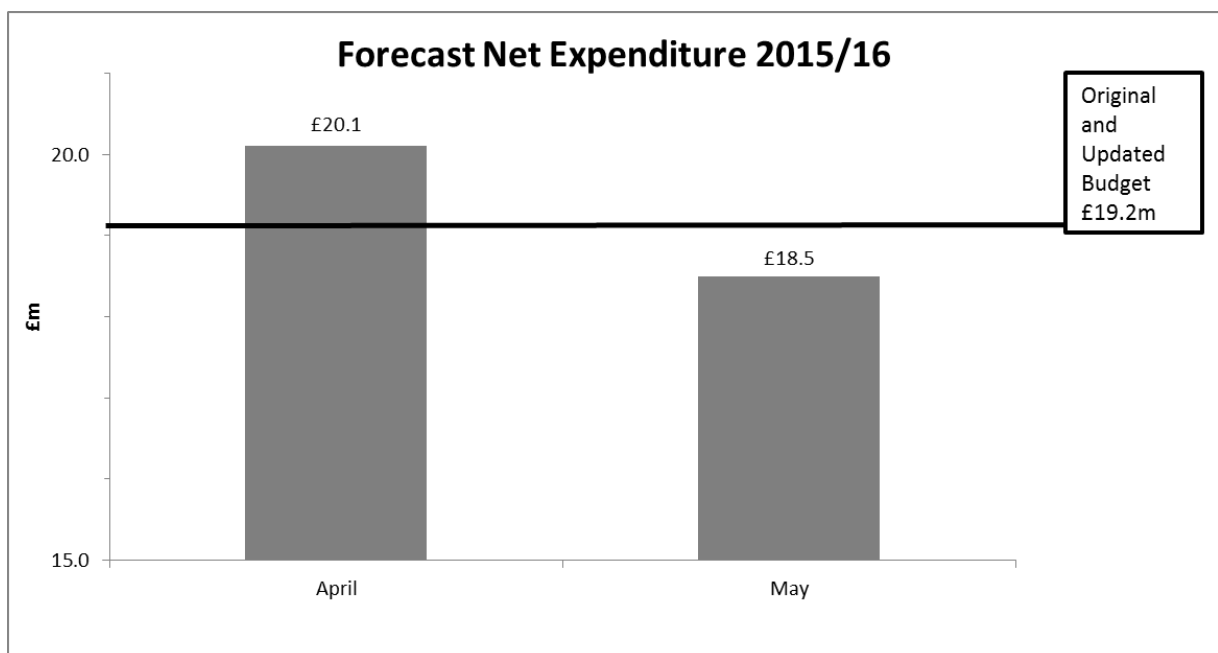
Revenue Income & Expenditure



The 2015/16 original gross revenue expenditure budget of £73.7m is combined with the approved carry forwards from 2014/15 to give an updated budget of £74.0m. Many of the carry forwards items relate to projects that received external funding which would have to be repaid if the budgets were not carried forward to 2015/16. Detailed budget monitoring for the 2015/16 budget is due to commence in July.



The gross revenue income budget as approved in February 2015 has not been affected by the approved carry forward budgets from 2014/15.



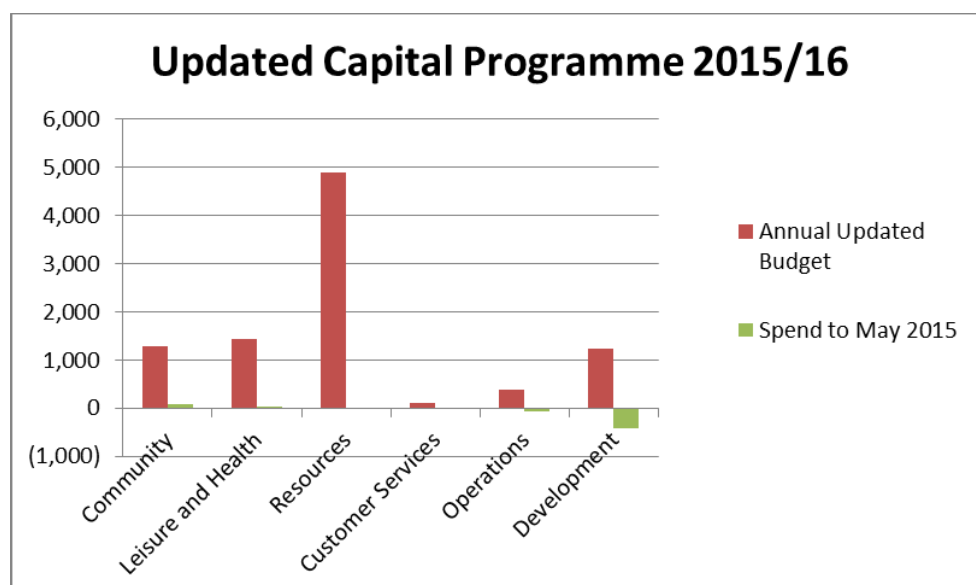
At the end of May 2015, net revenue expenditure is just below the original budget of £19.2m, a variance of £0.681m. At this point in the year, there has been limited budget monitoring due to the preparation of the statutory accounts.

Capital Programme (Property, Plant & Equipment)

The Council approved the 2015/16 capital programme of £11.065m in February 2015. This was following the February 2015 Cabinet that approved the Finance Governance Board's (FGB) recommendations that the capital programme be reduced by £1.428m. Together with the approved carry forwards of £0.274m the updated capital budget for 2015/16 is £9.363m as detailed in the table below.

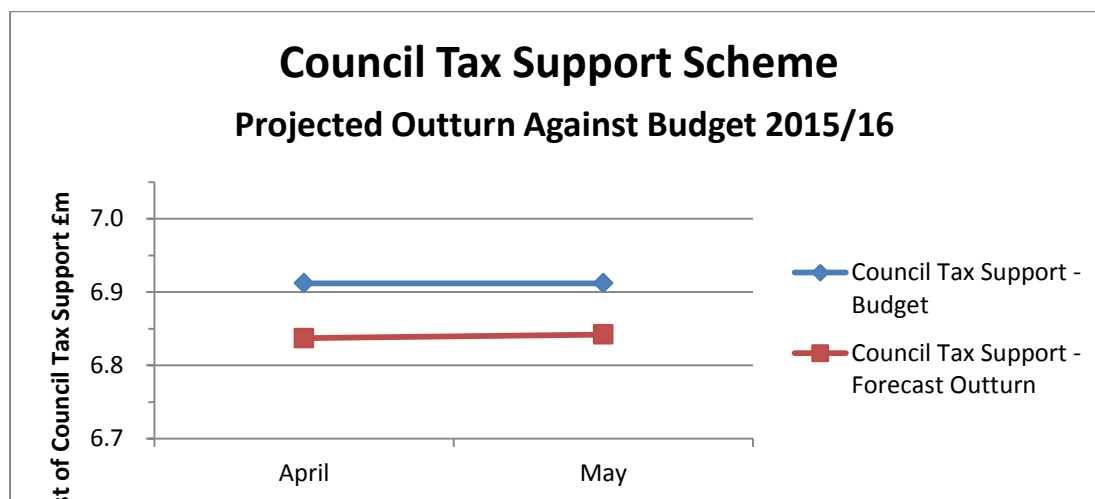
Summary	£'000
Original Approved Budget	11,065
Approved reductions by FGB	1,428
Approved carry forwards from 2014/15	274
Updated Capital Programme	<u>9,363</u>

As at the end of May 2015, the capital programme showed a net income of £0.401m due to the receipt of Disabled Facilities grant and the majority of the planned projects not yet starting.



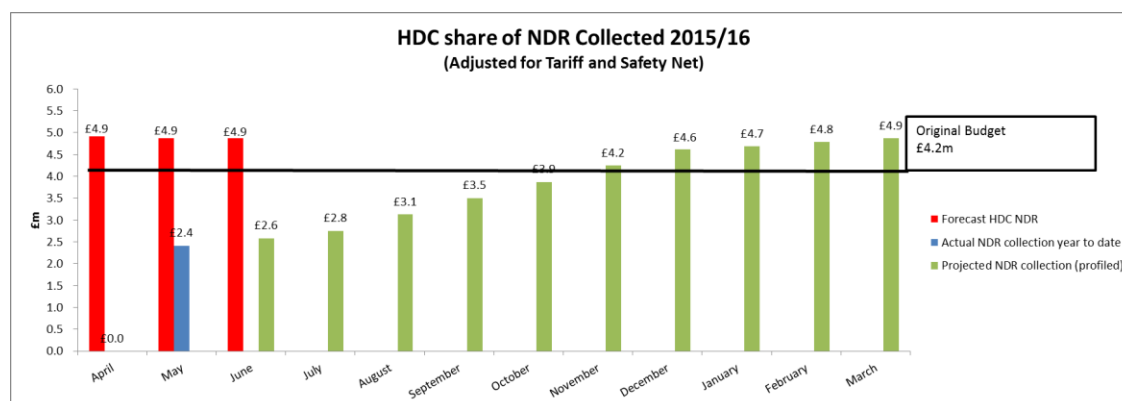
Council Tax Support Scheme

Reflecting improvements in local employment, take-up of the Support Scheme is lower than originally planned. Any 2015/16 saving due to the Support Scheme will impact in 2016/17.



The benefit to HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR and Council Tax

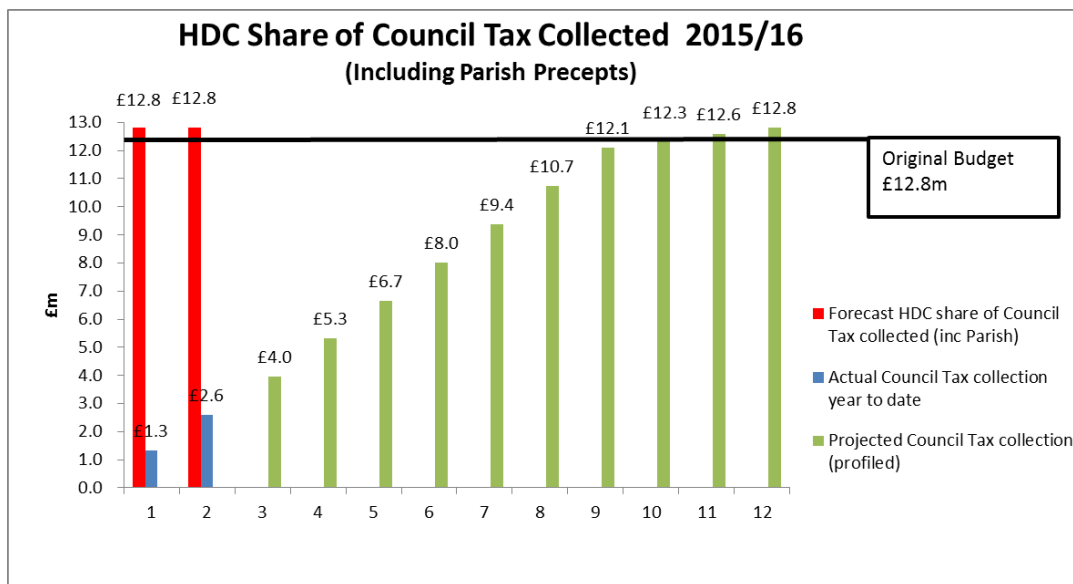


Forecast variation to the original budget is £0.7m. This additional funding comes from the new burdens identified during the completion of the NNDR1 submission to DCLG.

It should be noted that:

- the localisation of NDR has made the modelling of collectable NDR problematic; this is due to the fact that the position in respect of appeals is extremely volatile and further appeals could result in a reduced forecast. In May 2015 an appeal of £1.3m was upheld and the Councils share will be £0.520m (40%).

- the uncertainty as to when new premises will come into valuation further increases this volatility,

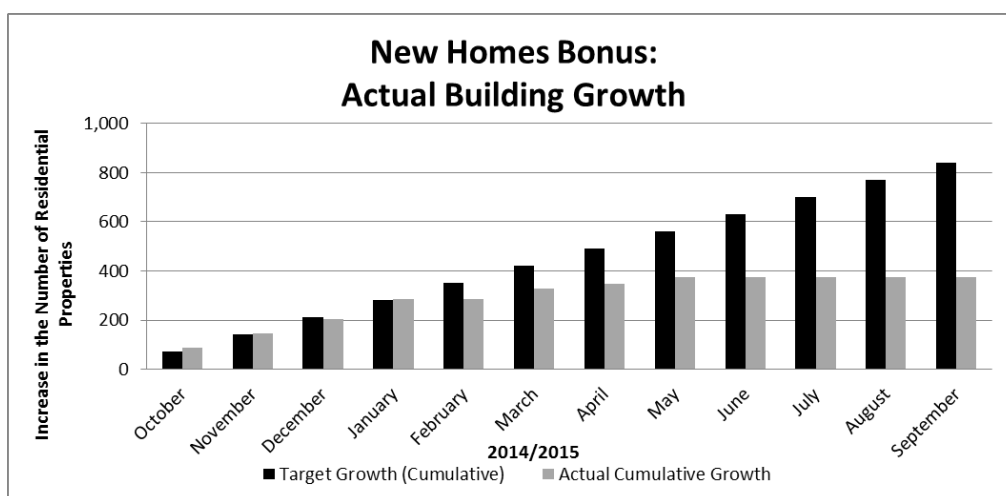


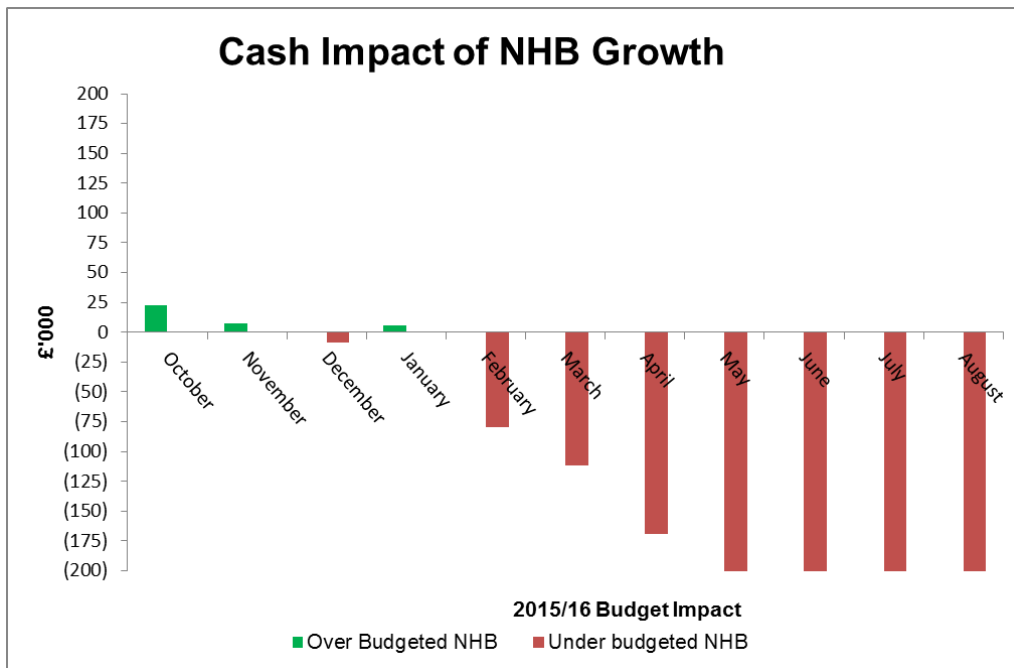
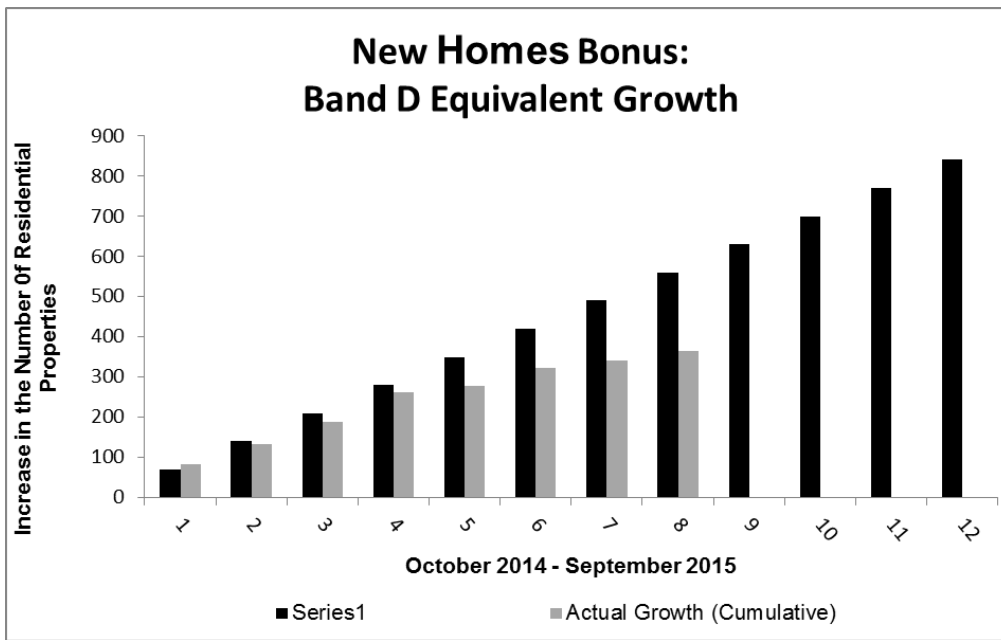
The forecast reflects the actual liability for tax at the time of annual billing compared to the assumptions made at the time the tax base was set. The projection assumes 1% of tax due for 2015/16 will be collected during 2016/17.

New Homes Bonus

The New Homes Bonus reporting cycle is October to September; consequently any income will be attributable to 2015/16. The following forecasts exclude adjustments for long-term empty properties and affordable homes.

To the end of May 2015, there were 374 new homes, down 186 on the target of 560 for the same period.





Pending confirmation from the Government the NHB per property has been estimated at last years rate plus 2% inflation.

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Public
Key Decision - YES

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Huntingdonshire Marketing Strategy

Meeting/Date: CMT – 23rd June 2015
O&S Economic well-being – 9TH July 2015
Cabinet – 16th July 2015

Executive Portfolio: Strategic Economic Development and Legal,
Cllr Roger Harrison

Report by: Head of Development
Andy Moffat

Ward(s) affected: All

Executive Summary:

The Huntingdonshire Economic Growth Plan 2013- 2023 was approved by cabinet in July 2013. One of the key short-term (1-3 year) actions contained therein was the development of a Marketing Strategy for the promotion of the District as a location of choice to live, work and invest.

External expertise has been procured to assist with the development of the strategy itself, branding, a website and marketing materials. The first phase of this work is the development of the Marketing Strategy and the branding design. The draft document attached is the Marketing Strategy, a document to guide the economic development team in the development of marketing materials and the implementation of a marketing campaign. It identifies the target audience segments for the campaign, how to access them and the key messages to be delivered. It contains examples of the proposed branding design as they would be applied to the web site and promotional materials but is not in itself an external facing document. The design samples included in the Marketing Strategy attached have evolved following consultation with officers, members and private sector partners.

Once this Marketing Strategy and branding profile has been approved by Cabinet, the preparation of the external facing marketing materials will begin.

Recommendation(s):

It is recommended

- That Members endorse the implementation of this Marketing Strategy and Branding profile for the promotion of Huntingdonshire.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

- 1.1 The purpose of this report is to seek member approval for a Marketing Strategy and branding which will be used to promote the district and attract high skilled workers and inward investment to Huntingdonshire.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 In July 2013 the Cabinet approved the Huntingdonshire Economic Growth Plan and its short, medium and longer term deliver plan. In order to achieve the objectives set out in the HEGP, a key action identified was the need for a Marketing Strategy to ensure the effective promotion of the District as a location of choice to live, work and invest.
- 2.2 Since the approval of the HEGP there have been some areas of change and potential change to the economic development landscape which have impacted on progress with this action. These relate to: the Cambridgeshire Public Sector Board review of economic development and related services delivery across the County geography; HDC's strategic partnership with South Cambs DC; and developing roles and responsibilities of the Local Enterprise Partnership (LEP).
- 2.3 Together these circumstances led to the senior management decision to hold any significant expenditure of resource on the development of a marketing campaign for the promotion of the district as this would be a longer term project which may need to be done together with partners across a wider geography. However, no agreement has yet been reached on the sharing of place marketing activities across wider geographies. Further, over a geography as wide as the LEP's, the developing of a compelling unique selling point and key messages to encompass the diversity of the component districts would be extremely difficult to achieve. As a consequence and given the upturn in national economic outlook the hold has now been lifted and work is underway on the development of a marketing strategy, branding and promotional materials to attract inward investment and high skilled workers to Huntingdonshire.
- 2.2 Following a competitive tender process, external expertise has been procured to assist with the development of the strategy itself, branding, a website and marketing materials. The first phase of this work is the development of the Marketing Strategy and the branding design. The draft document attached is the Marketing Strategy, a document to guide the economic development team in the development of marketing materials and the implementation of a marketing campaign. It identifies the target audience segments for the campaign, how to access them and the key messages to be delivered. It contains examples of the proposed branding design as they would be applied to the web site and promotional materials but is not in itself an external facing document.
- 2.3 In line with the HEGP's ambitious vision to make Huntingdonshire on the top 10 places in England to live, work and invest by 2023 the branding and strategy also need to be ambitious and innovative.
- 2.4 Once this Marketing Strategy and branding profile has been approved by Cabinet, the preparation of the external facing marketing materials will begin.

3. OPTIONS CONSIDERED / ANALYSIS

- 3.1 The process of developing the strategy and branding materials has included a review of other place marketing websites and brands. This work concluded that in the absence of a single iconic image that would really promote the district to all three target audiences a computer generated image would be the best option. This should be supplemented on the web-site particularly with photographic images as appropriate to the focus of each landing page.

It was also considered whether the logo should be a stand-alone logo, which would require a change to the Council's corporate branding policy, or whether the logo should be co-branded with the existing council logo. The later was deemed to be most appropriate.

A series of workshops and consultations were then conducted (see 8 below) and feedback and comments taken on board where possible in the evolution of the branding. It should be noted that as with all such subjective decisions, opinions have been diverse but private sector consultees were on the whole more supportive of the design as developed in the document attached.

4. COMMENTS OF OVERVIEW & SCRUTINY PANEL

- 4.1 To be determined by Overview & Scrutiny Economic Well-being Panel 9/7/2015.

5. KEY IMPACTS/RISKS?

- 5.1 The main impact of the Strategy will be its contribution the delivery of the HEGP by successfully promoting Huntingdonshire as a location of choice to live, work and invest. It will encourage the relocation of the high skilled workers that our businesses need to achieve their growth potential; it will encourage the (re)location of business investment into the district to help us diversify and uplift our local economy and thus improve its future resilience.

The more ambitious elements of the Strategy are potentially dependant on the identification of external funding and at a time of ever decreasing public sector allocation, this offers a possible risk. Equally, the opportunity to fully exploit the aspirations of the Strategy will be impacted by the ability to, and success of, achieving private sector "buy in" and identification of potential jointly funded projects.

6. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 6.1 If the recommendation of this report is approved in July, key milestone actions will be:
- Commissioning of Marketing collateral and materials – **Summer 2015**
 - Website development – **Autumn 2015**
 - Website Launch – **Winter 2015**

7. LINK TO THE CORPORATE PLAN

- 7.1 The Strategy is directly linked to the Corporate Plan's Vision and delivery of the Strong Local Economy Theme - principally promoting inward investment, supporting Alconbury EZ, and addressing future skills needs - and to a lesser extent to the Enabling Sustainable Growth theme.

8. CONSULTATION

- 8.1 A variety of differing audiences have been targeted to canvass views on the Branding and Profile element of the Huntingdonshire Marketing Strategy including Senior Executive Officers, Council Members, Partner organisations and private sector representatives including the Chambers of Commerce, BID Huntingdon and Urban & Civic.

9. RESOURCE IMPLICATIONS

- 9.1 The cost of the initial development of the Huntingdonshire Marketing Strategy, branding and initial materials design was budgeted for in the 2014/ 2015 and 2015/16 budget at a total cost of £18,500 for:

- Strategic marketing plan
- Brand creation/ key messages/ infographics
- Set up of content managed web-site
- E-newsletter HTML template
- Pull up banner creative
- Marketing brochure

- 9.2 In addition £4,000 is allocated in the 2015/16 budget for the printing and purchase of promotional materials, pull up banners attendance at business to business fairs and some advertising of the campaign launch.

- 9.3 A further sum of £4,200 p.a. is currently budgeted for an ongoing web-site maintenance contract and search engine optimisation (to ensure the web-site ranks highly in browser search results). This is not however, committed to at this stage.

- 9.4 The further allocation of economic development budget to this project will depend upon the outcome the imminent ZBB process.

- 9.5 In summary, current budget and human resource allocations will enable those items in bold below (the list from p.15 of the strategy) to go ahead on approval of the Strategy:

- **Website**
- **E-Newsletters**
- Online advertising
- **E-Brochures**
- **Social Media**
- **Press advertising**
- **Printed Brochure Marketing Collateral**
- **Partner Collaboration Collateral for events and meetings**
- Promotional Videos
- **Exterior Banners**
- Exhibition Graphics Interactive Touch Screen Table
- Branded Team wear – Polo shirts, Smart shirts, Sweatshirts
- **Branded Pens, USBs Mugs Biodegradable Promotional Carrier Bags Sweets, Helium Balloons**
- Mobile Ad vans
- HDC fleet vehicle livery
- Black Cab Advertising / Livery
- Stagecoach and Guided Bus Advertising / Livery

- Key Transport Spot Advertising - Train Stations, Airports, Bus Stations and London Underground
- Shopping Centre Advertising

9.5 Identification of externally funding opportunities will need to be found for longer term commitments and more aspirational/costly campaigns and activity.

9.2 These possible funding avenues include local and regional private sector organisations with commonality of interest in promoting Huntingdonshire e.g. Developers, housing associations, property agents, recruitment agencies, sector and business networks as well as regional and national government and sector funding streams.

10. REASONS FOR THE RECOMMENDED DECISIONS

10.1 Recommendation is sought due to:

- The development of a Marketing Strategy is an identifiable action arising from the approved Huntingdonshire Economic Growth Plan 2013-2023
- Consultation with both internal and external audience has demonstrated a clear and universal support for the need to promote Huntingdonshire as a place to Live, Work and Invest
- An increasingly competitive location environment requires a business facing, proactive Marketing Strategy with supporting brand and collateral.

11. RECOMMENDATION

That members endorse the implementation of this Marketing Strategy and Branding profile for the promotion of Huntingdonshire.

12. LIST OF APPENDICES INCLUDED

Appendix 1 – Huntingdonshire Marketing Strategy

CONTACT OFFICER

Name/Job Title: Sue Bedlow, Economic Development Manager
Tel No. 01480 387096

Huntingdonshire District Council Marketing Strategy

Promotion of Huntingdonshire as a location of choice
to live, work and invest



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Executive Summary

Executive Summary

The road to 2023 already has a clear path as set out in the Council's Economic Growth Plan

The Huntingdonshire Economic Growth Plan 2013-2023 sets the clear vision for the District that *"By 2023, Huntingdonshire will be the fastest growing District in Cambridgeshire and one of the top 10 best places to live, work and invest in England."*

The key Objectives are:

- To create a flexible and resilient workforce
- To make Huntingdonshire a location of choice
- To foster a culture of enterprise

In order to achieve these objectives the Huntingdonshire Economic Growth Plan identified the need for a Marketing Strategy to promote the District as a location of choice to live, work and invest.

This Marketing Strategy seeks to expand on the aspirations set out within the Huntingdonshire Economic Growth Plan and clarify how the 2023 Objectives will be met by adopting a concise 'Who, What, and How' method where strategic marketing tools will be proposed. The Strategy provides a SWOT exercise to identify the key strengths of the District and the sectors and opportunities where activities should be focussed upon. It also clarifies the target audience, key messages to be conveyed and how they will be delivered.

In undertaking this analysis, the Strategy re-affirms the District's key positive messages:

Huntingdonshire is:

- An attractive place to live, with a strong and comparatively affordable housing market
- Well located to access markets, with excellent road and rail links and significant plans for further infrastructure improvement
- Economically stable, with a strong small business sector and many well established companies
- Home to a well educated, highly skilled population, with a high proportion of residents in managerial and professional occupations;
- In proximity to Cambridge and well placed to create new jobs and deliver economic growth, with key strategic opportunities, such as Alconbury Weald and St Neots
- A track history of delivering housing growth ahead of schedule
- High quality of life



Pathfinder House, Huntingdon



St Neots Waterways

Objectives

Objectives

To achieve the aspirations outlined in the Economic Growth Plan this Marketing Strategy has been developed with the intention of:

- Creating and implementing an overriding brand for the district that is impactful, evocative and future proof
- Developing a class-leading website that is the 'go to' resource for the latest information, promotion and marketing of Huntingdonshire as a place to live, work and invest
- Identifying target audiences both within the district and further afield
- Highlighting and establishing channels which reach the target audiences effectively
- Clearly conveying the key messages
- Planning a set of activities and events to gain positive coverage and generate solid awareness of the districts' opportunities.
- Identifying a network of contacts, partners and 'champions', equipped with information and messages to promote the district to target audiences on an ongoing basis.
- Promoting the relationships required that will help build awareness of the districts' investment opportunity from an overseas perspective.
- Encouraging links between education and business to demonstrate employment opportunities from future investment and growth.



Huntingdon Multi-Storey Car Park

SWOT Analysis

SWOT Analysis

Identifying and understanding the Regions' potential and challenges is imperative in highlighting opportunities

In determining this strategy there is a need to be informed by an analysis of the District's strengths, weaknesses, opportunities and threats which in turn will assist with identifying the key economic assets and drivers for the region.

Strengths	Weaknesses
Growth Region: At the centre of the dynamic Greater Cambridgeshire economic location between the innovation of Cambridge and the manufacturing, cleantech and financial clusters it shares with neighbouring Districts. Well Connected: Strategic location with excellent access to markets and links to Cambridge, London and beyond. Strong Housing Market: Strong and affordable (in comparison with other Districts) housing market. Industry Strengths: Specific sector strengths, significant on a UK scale, including high value manufacturing. Skilled Workforce: High proportion of population with higher level qualifications. Embracing Entrepreneurs: Above average rates for start-ups and success of new businesses. Enterprise Zone: Competitive high tech Enterprise Zone offering flexible business space. Quality of Life Offer: Key service centres, surrounded by attractive market towns.	Ageing Population: Predicted to increase, placing pressure on public services and the economy. Deprivation: Concentrated pockets of deprivation in key areas. Low Aspirations: Skills levels within many deprived areas are low. Manufacturing Decline: Sector employment predicted to continue to decline in future. Medium sized business: Gap in local economy of mid-size business group. Housing Affordability Issues: Rising issues in housing affordability for both rental and purchase properties. Out-Commuting: Discrepancy between workplace and resident based earnings, demonstrative of out-commuting.
Opportunities	Threats
Neighbouring Growth Knock-on Effect: Leverage benefit from neighbouring and regional activity Improved Infrastructure: Planned new infrastructure to unlock development in key service centres, Attracting New Inhabitants: Developing the strengths in Huntingdonshire's housing offer: Inward Investment: Bringing in new investment through strategic sites such as Alconbury EZ, St Neots and Wyton. Playing to Strengths: Building on key sectors e.g. biotechnology, Agricultural & Medical technologies, composites, renewable energy, Oil & gas, smart products and digital economy. Matching Skills to Employment: Fostering relationships between education and business. Business Guidance: Business support and mentoring to further develop SME sector. Supply chain opportunities: Investigating the opportunities for manufacturing supply chain development. Address Unemployment: Linking residents from deprived areas with employment opportunities.	Infrastructure: Critical infrastructure is required to unlock full potential. Lack of Funding: Inability to attract funding to deliver critical infrastructure and other investment. Competition for Inward Investment: Competition from other areas including Cambridge and Peterborough. Sector Decline: Declining representation in key sectors such as manufacturing and traditional industries. Impact of Public Sector Cuts: Higher than national average public administration, education and health; a corresponding threat in respect of public sector cuts. Employment Displacement: Resulting from the Alconbury EZ.

Market Landscape

Market Landscape

An analysis and appreciation of the competitive environment is required to correctly position oneself and identify any Unique Selling Proposition

In developing this Strategy there is an appreciation of the increasingly competitive nature of attracting investment and people. In recognising the global nature of the “marketplace” more and more locations have sought to champion their Unique Selling Position and the services they offer. The presence of such organisations locally and regionally is strong with dedicated teams in place to promote and market both the location and their services through direct assistance tailored to specific enquiries.

A brief overview of competing “locations” and their services is indicated below:

Location	Web Presence	Marketing Material
Cambridge & Peterborough	Greater Cambridge Greater Peterborough Enterprise Partnership www.gcgp.co.uk	Video downloads Twitter Interactive Maps E-newsletter
East Cambridge	360degree www.business-relocation-east-anglia.co.uk	Video downloads Twitter
Cambridge	Cambridge Ahead http://www.cambridgeahead.co.uk	Video downloads E-newsletter Twitter
Peterborough	Opportunity Peterborough www.opportunitypeterborough.co.uk	Video downloads Business Directory Bondholders Forum E-newsletter Twitter
Northampton	Invest Northampton www.northamptonshireep.co.uk/ invest-in-northamptonshire	Video downloads Business Directory Twitter
Buckinghamshire	Buckinghamshire Business First www.bbf.uk.com	Video downloads Membership Directory Twitter
Hertfordshire	Invest Hertfordshire www.hertfordshire.fdiapp.com	Sector Breakdown Twitter
Milton Keynes	Invest Milton Keynes www.investmiltonkeynes.com/	Video downloads Business Directory Twitter
Essex	www.investessex.co.uk	Video downloads E-newsletter Twitter
Oxford	Invest in Oxfordshire www.oxfordshirelep.org.uk	E-newsletter Twitter

Key Messages

Key Messages

Within a global market, a sense of “*place*” is becoming increasingly important as a driver for investment. A high quality location, well connected to markets and areas of growth is critical to investment success.

Growth sectors and priorities will change with time, driven by innovation, technological development and globalisation. However, successful investment locations are those that both have and articulate a strong Place and People offer, promoting both their distinctiveness and genuine technology and sector strengths. It must promote key local strengths, particularly its location between the innovation of Cambridge and the manufacturing, cleantech and financial clusters it shares with neighbouring districts and exploit fully future economic development opportunities.

In seeking to provide the environment and skills needed for a High Value location and culture as depicted within the Economic Growth Plan, a particular drive for Huntingdonshire will be the facilitation of market – driven value creation through business scale up and growth. At the heart of this is the need to:

- Exploit local strengths in skills and the established manufacturing base to provide support to SME's and Start Ups
- Maximise the unique selling point of Huntingdonshire's lower cost location compared to the immediate Cambridge area

Huntingdonshire has a number of strategic advantages that can facilitate the promotion of the District:

The Key Messages are:-

- Huntingdonshire is the largest District by population in Cambridgeshire with future population growth set to exceed expectations. Huntingdonshire has a clear plan for continued growth and the potential to deliver substantial new residential and employment opportunities including Alconbury Weald, St Neots and Wyton.

- Huntingdonshire is strategically located and well connected to access regional, national and international markets with excellent links to Cambridge, London and UK's main transport hubs.
- Huntingdonshire offers a highly cost effective alternative business location to the over-heated nearby Cambridge market
- Huntingdonshire has a workforce of a million people within an hour's drive with skills levels above the national average
- Huntingdonshire has a strong and comparatively affordable housing market with significant new housing planned.
- Huntingdonshire lies at the heart of the high tech Greater Cambridgeshire economic growth region – one of the most dynamic in the country

The District has witnessed significant growth in recent years in both population and housing which has ensured it is well placed to contribute to, and benefit from, economic growth. Allied to the pillars identified above, this provides the base on which to build and further enhance the profile and appeal of Huntingdonshire to existing and future residents, workers and investors alike.

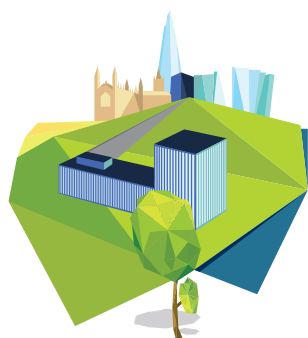
It is the promotion of these strategic opportunities that will enable the District to position itself such that it can successfully compete for future investment, talent and jobs on a local, regional, national and international level.

Affordable proximity to Cambridge, access to growth markets, skills, space, entrepreneurship, high-tech cluster environment, transport links, quality of life.

Branding Profile

Branding Profile

A clear, concise and recognisable branding profile is an integral element of any successful marketing campaign.



Huntingdonshire

LIVE • WORK • INVEST

In establishing the branding to be associated with this Marketing Strategy there was a desire to depict and capture the district in a positive manner that combines heritage with innovation.

The district's connectivity and entrepreneurial nature is an intrinsic feature and central to a location recognised as a dynamic and thriving economy. Acknowledgement is made of proximity and ease of access to major conurbations offering commerce and leisure opportunities such as Cambridge and London whilst simultaneously providing the quality of life environment increasingly required by businesses and residents alike.

The approach has aimed to align the branding with existing Huntingdonshire District Council marketing collateral and compliment the District's recognised logo through use of appropriate colors, fonts and style. It will sit alongside the District's primary profile as depicted in the imagery below.



Huntingdonshire
LIVE • WORK • INVEST



Huntingdonshire
DISTRICT COUNCIL

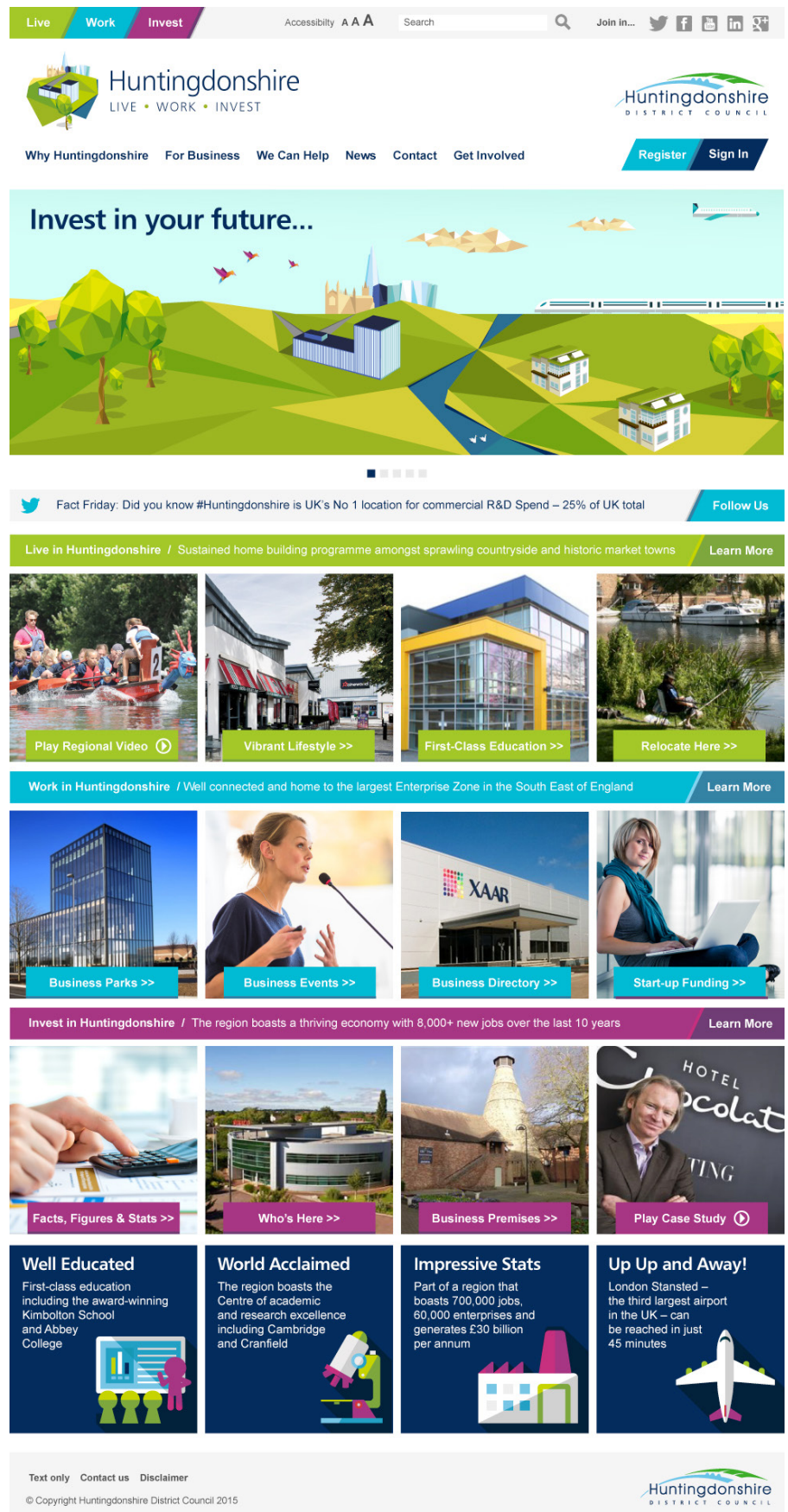
Branding Profile Continued

Branding Profile (Continued)

Going forward, this imagery will be utilised in tandem with the Key Messages in promotional collateral and official website and will accompany tailored marketing for the range of identified audiences highlighted in the next section.

The branding profile has been produced to ensure that it remains "Future Proof" throughout the period covered by the Economic Growth Plan – and has the potential to be employed via a variety of approaches including:

- Website
- E-newsletters
- Online advertising
- E-brochures
- Social media
- Press advertising
- Printed brochure marketing collateral
- Partner collaboration collateral for events and meetings
- Promotional videos
- Exterior banners
- Exhibition graphics interactive touch screen table
- Branded team wear – polo shirts, smart shirts, sweatshirts
- Branded pens, USBs, mugs biodegradable promotional carrier bags, sweets, helium balloons
- Mobile ad vans
- Black cab advertising / livery
- Stagecoach and guided bus advertising / livery
- Key transport spot advertising - train stations, airports, bus stations and london underground
- Shopping centre advertising
- Huntingdonshire District Council fleet of vehicles



Audience and Channels

Audience and Channels

Tailored marketing activity is essential to ensure that the key messaging is relayed to each target audience as effectively and cost-efficiently as possible.

The Greater Cambridge Greater Peterborough area has an enviable reputation as a dynamic economic region and as such has a track record in attracting business investment and has witnessed significant population growth. Huntingdonshire has the potential to add to and build upon this through further fostering enterprise and an entrepreneurial culture locally. To successfully promote the District,

an understanding of the audience and method of approach is imperative in conveying the key messages and attraction of Huntingdonshire as a place to Live, Work and Invest.

The following offers an insight as to the Target audience groupings and an illustration of the channels to be utilised:-

	LIVE	WORK	INVEST
Audience	• Current Residents • Skilled Workforce • Education Establishments	• Existing workforce • Out Commuters • High value sector workforce • STEM Students • Secondary Schools • Non Economically active residents	• Business Start Ups • Business Owners • Priority Sector SME's • Overseas Investors • Locally based Foreign Direct Investment
Channels	• Live Work Invest Website • Joint Promotional campaigns incl. house builders • General media outlets • Social media outlets • Partner & HDC e-newsletters & marketing outlets • High tech sector networks • Universities and Further Education • Transport hubs	• Live Work Invest Website • Joint promotional campaigns • General media outlets • Social media • Partner & HDC e-newsletters & marketing outlets • Transport hubs • Recruitment agencies • Job Search websites • Sector & Trade journals • Sector Networks • University & Further Education • Schools / business engagement	• Live Work Invest Website • Partner promotional campaigns • General & social media outlets • Partner & HDC marketing outlets • Transport hubs • Sector/Trade Journals & Networks • Property Agent's Forum • Existing business networks • Local, regional & national B2B & Trade/Sector Exhibitions • Website publicising Post cards • Business support surgeries • Regional Internationalisation Programme • Investment Conference Hosting

Strategy and Action

Strategy and Action

In order for Huntingdonshire to “Go for Growth”, and achieve the aspirations outlined in the Economic Growth Plan, a clear and identifiable phased programme of action needs to be put in place reflecting the themes of Live, Work and Invest.

This programme of promotional activity will require an understanding of the audience and the need to segment that audience in order to identify the most appropriate method of approach. Only then can relevant, tailored key messages be conveyed.

A phased delivery will enable a momentum to be established and support the opportunity to identify potential collaborative projects with both private and public sector partners, with whom a commonality of interest in promoting Huntingdonshire can be established.

To realise this potential, a range of actions aligning themselves to the key areas of focus is outlined below, highlighting the audience, method of approach and key messages.

Live in Huntingdonshire

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them?
Current inhabitants of Huntingdonshire. Why: To retain as Champions of the District	Promote joint campaigns with strategic Developer Partners operating within the district including Urban & Civic and Home Builders Specific press & social media campaigns within the district to advertise/ promote new housing developments Promote call / post cards to drive new residents to the district’s website for information including housing, leisure and education support General “Good News” press advertising campaigns in local areas including Cambridge News, Hunts Post, Peterborough Telegraph, District & Parish news publications, BBC Radio, Hunts Community Radio & other media outlets. Social Media channels including regular Twitter feeds, Facebook posts, Instagram Existing HDC & Partner e-newsletters to provide tailored messaging Bus livery campaigns using striking ‘real’ imagery including Guided Busway Transport hubs e.g. rail stations, bus stops, taxi cabs	A Bright Future: Highlight district’s ambitious and dynamic Growth Agenda Strong and affordable housing market: (in comparison with other Districts in Cambridgeshire) Well Connected: Huntingdonshire’s strategic location to key transport hubs, Cambridge, London and centres of entertainment, leisure and education.
Inhabitants within the Travel to Work Area that would be open to relocation e.g. high-skilled, workers Why: To augment the District’s existing professional and high skilled workforce	Promote joint campaigns with strategic Developer Partners including Urban & Civic and Home Builders Press & social media campaigns to promote new housing developments placed within wider catchment areas including Cambridgeshire, Cambridge City, Beds, Herts, Bucks, Northants and London. Promote call / post cards to drive audience to the district’s website for information including housing, employment, education and leisure support Media advertising campaigns in catchment areas including radio, lifestyle publications & other media outlets incl. Bedford Times, Hertfordshire Mercury, Northampton Chronicle, BBC Three Counties Radio, Heart Radio, Metro.	Quality of Life Offer: Key service centres, attractive market towns, countryside & parks and culture and heritage

Live in Huntingdonshire (Continued)

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them? Ctnd.
	Social media channels including regular Twitter feeds, Facebook posts, Instagram posts to promote new affordable housing developments, proximity to employment & quality of life Shopping Centre advertising placements in Cambridge, Bedford, Milton Keynes, Hatfield Promotional campaign in transportation hubs, Stansted, Luton, East Midlands, Cambridge Airports, Rail stations, Bus Stations, London Kings Cross	
People In Higher education establishments and sectors Why: To augment the District's existing professional and high skilled workforce	Partnerships with regional Universities to create co-branded collateral for on-site literature and joint promotion online Partnerships with high tech sector networks for joint promotion and enhanced awareness e.g. Cambridge Network, Cambridge Wireless, Cambridge Cleantech Cambridge Ahead Social media channels including regular Twitter feeds, Facebook & Instagram posts to promote new affordable housing developments, quality of life and proximity to employment Workshops within education establishments to raise awareness of key sectors, and 'real' case studies of employment opportunities and successes. Mobile Ad Vans targeting places of education Graduate fairs	Promote Edge and other initiatives that facilitate integration of schools working with business



Home Building Programmes within the District

Work in Huntingdonshire

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them? Ctnnd.
Existing workforce of Huntingdonshire Why: To be Ambassadors / Champions of the District	Promote joint campaigns with strategic Commercial Developers & Property agents operating within the district Promote Job Portal on Website Local press & media campaigns including BBC radio, Cambridge Evening News, Hunts Post, business network publications to promote good news stories, employment opportunities Promote call / post cards to drive audience to the district's website for information including employment, housing, leisure and education support Social Media channels including regular Twitter feeds, Facebook & Instagram posts Existing HDC & Partner e-newsletters to provide tailored messaging Utilise Huntingdonshire's existing business networks including Chambers, FSB, HBN, & HMA Promotional campaign in Transportation hubs, Stansted, Luton, East Midlands, Cambridge Airports, Rail stations, Bus Stations, Kings Cross	A Bright Future: Highlight district's ambitious and dynamic Growth Agenda Close links to the global innovation hub of Cambridge Area renowned for its advanced engineering, high value manufacturing and research and development Alconbury Enterprise Zone & aspirations for 8,000 jobs in High tech sectors.
Residents who commute out Why: To reduce out commuting and augment existing workforce	Promote call / post cards to drive audience to the district's website for information including employment, housing, leisure and education support Promote Job Portal on Huntingdonshire Website Local and catchment area press & media outlet campaign including Cambridge Evening News, Bedford Times, Hertfordshire Mercury, Northampton Chronicle, BBC Three Counties Radio, Heart Radio to promote employment opportunities & good news stories Social Media channels including regular Twitter feeds, Facebook & Instagram posts Existing HDC & Partner e-newsletters to provide tailored messaging Promotional campaign in Transportation hubs, Stansted, Luton, East Midlands, Cambridge Airports, Rail stations, Bus Stations, Kings Cross Bus livery campaigns using striking 'real' imagery including Guided Busway	Growth in Earnings: Recent increases in residential earnings to produce a strong comparison with other county areas, including Cambridge and South Cambridgeshire Well Connected: Huntingdonshire's strategic location to key transport hubs, Cambridge, London and centres of entertainment, leisure and education.
Travel To Work Area workforce within high tech sectors: cleantech, advanced engineering, high tech manufacturing, ICT, food, medical, design Why: To strengthen existing workforce and enhance Profile for the future	Promote joint activity with priority sector network organisations Cambridge Wireless, Cambridge Cleantech, One Nucleus, Institute for Manufacturing Local and TTWA press & media outlet campaign including Cambridge Evening News, Bedford Times, Hertfordshire Mercury, Northampton Chronicle, BBC Three Counties Radio, Heart Radio to promote good news stories & employment opportunities (Ctnnd)	Promote & showcase breadth of innovation and R&D activity within the existing business base

Work in Huntingdonshire (Continued)

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them? Ctn'd.
	Social Media channels including regular Twitter feeds, Facebook & Instagram posts Promotional campaign in transportation hubs, Stansted, Luton, East Midlands, Cambridge Airport, Rail stations, Bus Stations, Kings Cross Bus livery campaigns using striking 'real' imagery including Guided Busway	
Workforce nationally in priority high tech sectors: Cleantech, advanced engineering, high tech manufacturing, ICT, food, medical, design Why: To strengthen high tech – high value workforce and build profile	Promote joint marketing with specialist recruitment agencies to highlight employment opportunities in tandem with Huntingdonshire benefits campaign Banner advertising with leading job search websites including: www.cv-library.co.uk, www.jobsite.co.uk, www.reed.co.uk and www.monster.co.uk Promote targeting of specialist sector media/journals and conferences e.g. MIPIM UK, Med Tech Innovation Expo , The Manufacturer, Energy Engineering Promote profile raising joint activity with local priority sector network organisations Cambridge Wireless, Cambridge Cleantech, One Nucleus, Institute for Manufacturing Promote targeting of national priority sector networkse.g. Catapult centres, National Composite Centre, Advanced Manufacturing Research Centre Social Media channels including regular Twitter feeds, Facebook posts, Instagram to grow awareness and engage with the audience Promotional campaign in key transportation hubs	Industry Strengths: Specific sector strengths, significant on a UK scale, including manufacturing Hi-Tech Business: Professional, scientific and technical business units account for 15%of all businesses Skilled Workforce: Significant proportion of the population with skilled trades occupations
Residents not economically active Why: To increase employability options and ultimately labour pool	Promote call / post cards to drive residents to the District's website for information including job and training opportunities Banner advertising with leading job search websites including: www.cv-library.co.uk, www.jobsite.co.uk, www.reed.co.uk and www.monster.co.uk Promotion of Job Centre Plus and partner activity in supporting and assisting residents into training and employment Promotion of Business Start- up initiatives and support Social Media channels including regular Twitter feeds, Facebook posts, Instagram posts to promote employment and training opportunities.	Showcase quality of education from primary through to higher/ further education EDGE Programme
Students from national academic centres of excellence Why: To promote employment opportunities, augment workforce and raise profile	Promote joint marketing with specialist recruitment agencies to highlight employment opportunities & high tech sectors Promote targeting select Universities to raise profile of the area, high tech sectors and employment opportunities (Ctn'd)	Promote Alconbury Technical & Vocational Centre

Work in Huntingdonshire (Continued)

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them?
	Banner advertising with leading job search websites including: graduate-jobs.com. www.www.cv-library.co.uk, www.jobsite.co.uk and www.monster.co.uk Target specialist sector journals and conferences to raise profile of the area, high tech sectors and employment opportunities Promote joint activity with local priority sector network organisations Cambridge Network, Cambridge Wireless, Cambridge Cleantech, One Nucleus, and Institute for Manufacturing to grow awareness and raise profile. Social Media channels including regular Twitter feeds, Facebook posts, Instagram posts to grow awareness and raise profile. Target Graduate Career Fairs, incl. http://gradstock.co.uk/	Successful Business Start – Up Location: including proactive Start up and business support Programmes
Students in the Travel To Work Area focusing on careers within STEM sectors - science, technology, engineering and mathematics Why: To promote employment opportunities, augment workforce and raise profile	Promote targeting regional Universities and Further Education establishments to raise profile of the area, high tech sectors and employment opportunities e.g. Cambridge, Anglia Ruskin, Cranfield, Buckinghamshire, Northampton Workshops within place of education involving key industry personnel to build awareness of key sectors, backed up with 'real' case studies of employment success and opportunities. Promote EDGE to raise awareness of local apprenticeship opportunities, business opportunities and career guidance	Strong and affordable housing market (in comparison with other Districts in Cambridgeshire)
Students in secondary education within the region Why: To raise awareness of employment opportunities and sector strengths	Workshops within place of education involving key industry personnel to build awareness of key sectors, backed up with 'real' case studies of employment success and opportunities. Promote EDGE to raise awareness of local apprenticeship opportunities, business opportunities and career guidance Promote opportunities for businesses to mentor and coach schools and students, encouraging enterprising behaviour from an early age Promote Huntingdonshire 'Dragons Den' in order to generate interest in entrepreneurship Mobile Ad Vans targeting places of education	Quality of Life Offer: key service centres, attractive market towns, countryside & parks and culture and heritage

Invest in Huntingdonshire

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them? Ctn.
New Business start-ups / local and regional entrepreneurs Why: To be Ambassadors employment creation and enhance region's entrepreneur Profile	Establishment of "Go To" leading class website offering latest information, promotion and marketing of Huntingdonshire as a place to live, work and invest Proactive e-newsletters providing regular updates & good news stories to Stakeholder Partners, local business networks, property agents, Regional Business publications and sector networks Promote call / post cards to drive new businesses to the district's website for information including housing, leisure and education support information Promote establishment of property agent's Forum – to gather and disseminate investment information locally and regionally Highlight provision of business surgeries demonstrating the range of business information and assistance available Promote enhanced use of existing business & manufacturing networks e.g. FSB, Chambers of Commerce, Huntingdonshire Manufacturers Promote local press features and banner advertising on websites such as www.startups.co.uk Promotion of HDC's Huntingdonshire Business Start Up Programme Promote co-branded literature with Urban & Civic to promote the business hub within the Alconbury EZ campus and business support. Promote case studies from early tenants into the Alconbury EZ Local B2B / Exhibitions - Hunts, Peterborough, Cambs, Anglia Business Expo, Beds SME Expo, hertsb2bexpo, UKTI, IFM	A Bright Future: Highlight district's ambitious and dynamic Growth Agenda Competitively price business location compared to overhanging Cambridge market. Close links to the global innovation hub of Cambridge and academic centres of excellence Alconbury Enterprise Zone -centre of excellence that will accommodate up to 8,000 jobs in high tech sectors Area renowned for its advanced engineering, high value manufacturing and research and development
Business owners within the District who are considering expanding their operations. Why: To be Ambassadors and create employment opportunities	Establishment of "Go To" leading class website offering latest information, promotion and marketing of Huntingdonshire as a place to live, work and invest Proactive e-newsletters providing regular updates & good news stories to Stakeholder Partners, local businesses Property Agents, Regional Business Publications, sector networks, Promote call / post cards to drive new businesses to the District's website for information including housing, leisure and education support information Promote establishment of Property Agent's Forum – to gather and disseminate investment information locally and regionally Highlight provision of business surgeries demonstrating the range of business information and assistance available Promote enhanced use of existing business & manufacturing networks e.g. FSB, Chambers of Commerce, Huntingdonshire Manufacturers (Ctn)	Well Connected: Huntingdonshire's strategic location to business and consumer markets, key transport hubs, Cambridge and London. Promote & showcase innovation and R&D activity within the existing business base

Invest in Huntingdonshire (Continued)

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them?
	Work with Urban & Civic and the LEP to promote Alconbury regionally & nationally as the primary inward investment location	
Businesses within the Travel to Work Area open to relocate and/or expand their operations into the District Why: To create employment opportunities	Establishment of "Go To" leading class website offering latest information, promotion and marketing of Huntingdonshire as a place to live, work and invest Proactive e-newsletters providing regular updates & good news stories to regional property agents, regional business publications, sector networks Promote call / post cards to drive businesses to the District's website for information including housing, leisure and education support information Branded Taxis in major conurbations incl. London, Cambridge, Bedford, Northampton Promote establishment of property agent's Forum – to gather and disseminate investment information locally and regionally Highlight provision of business surgeries demonstrating the range of business information and assistance available Work with Urban & Civic and the LEP to promote Alconbury regionally & nationally as a primary inward investment location Utilise social media channels including regular Twitter feeds, Facebook posts, Instagram to grow awareness and engage with the audience	Industry Strengths: Specific sector strengths, significant on a UK scale, including manufacturing biotechnology, Agricultural & Medical technologies, composites, renewable energy, Oil & gas, smart products and digital economy Hi-Tech Business: Professional, scientific and technical business units account for 15% of all businesses Alconbury Technical & Vocational Centre Lower wage levels than other areas, presenting a more affordable offer for potential employers Strong, sustained performance in NVQ Level 4+ Successful Business Start – Up Location: with proactive Start up and business support Programmes Strong and affordable housing market (in comparison with other districts in Cambridgeshire)
SME's within the priority sectors Why: To create employment, enhance Profile and increase supply chain capacity	Establishment of "Go To" leading class website offering latest information, promotion and marketing of Huntingdonshire as a place to live, work and invest Proactive e-newsletters providing regular updates & good news stories to regional business publications, sector networks, UKTI, etc Promote call / post cards to drive new businesses to the district's website for information including housing, leisure and education support information Promote enhanced linkages with neighbouring Local Enterprise Partnership and regional/ national sector networks Work with Urban & Civic and the LEP to promote Alconbury regionally & nationally as a primary inward investment location Utilise social media channels including regular Twitter feeds, Facebook posts, Instagram to grow awareness and engage with the audience Provision of business surgeries demonstrating the range of information and assistance available Promote investigation of collaborative regional or sector supply chain initiatives e.g. West Midlands Aerospace Consortium, East Anglia Health Service Alliance	

Invest in Huntingdonshire (Continued)

Who do we want to speak to and Why?	How do we tell them / communicate with them?	What messages do we want to tell them? Ctnd.
Overseas investors – considering cost effective alternative to Cambridge Why: To create employment, enhance Profile and increase supply chain capacity	Establishment of “Go To” leading class website offering latest information, promotion and marketing of Huntingdonshire as a place to live, work and invest Proactive e-newsletters providing regular updates & good news stories to sector networks, UKTI, BIS, & intermediaries Promote enhanced linkages with the Local Enterprise Partnership, Sector networks e.g. Cambridge Wireless and Cambridge Cleantech & intermediaries Work with Urban & Civic and the LEP to promote Alconbury nationally and internationally as a primary inward investment location Promote greater linkages with region’s Internationalisation Programme activities e.g. UKTI, Chambers of Commerce, Enterprise Europe Network Promote collaborative attendance at Trade & Investment Exhibitions e.g. MIPIM UK, Medtec UK, and other sector events Proactive targeting of priority Trade and Sector journals and publications for tailored messaging including new developments and success stories e.g. The Manufacturer, Advanced Engineering, Cleantech Utilise social media channels including regular Twitter feeds, Facebook posts, Instagram to grow awareness Host major investment conferences to showcase the Enterprise Zone to property and land agents, entrepreneurs, UKTI’s sector leads and overseas officers	Quality of Life Offer: Key service centres, attractive market towns, countryside & parks and culture and heritage Showcase local schools with strong linkages to business through EDGE and other organisations



Alconbury Incubator Centre

Monitoring

The Huntingdonshire Economic Growth Plan was centered on ambition with the Strapline of “*Going for Growth*”. The development of a Marketing Strategy is an essential process in the achievement of that vision through a phased plan of action.

Monitoring those actions and highlighting success and achievements will be a key requirement as will conveying those successes to partners, residents and businesses.

The Marketing Strategy will contribute to the overall delivery of the Huntingdonshire Growth Plan via the following outcomes:

- A growth in business rates across Huntingdonshire including the Enterprise Zone
- Increasing levels of inward investment enquiries
- Improved resident based qualification levels

The Marketing Strategy’s success will also be monitored by the following outputs:

- Successful launch of the website and promotional materials
- Increasing volumes of web-site traffic
- Increasing numbers of newsletter subscriptions

Resources / Budget

The development of a Marketing Strategy has been an outstanding commitment arising from the Huntingdonshire Economic Growth Plan produced in 2013.

The commissioning and initiation of the Marketing Strategy was undertaken in 2014 / 2015 with funds allocated accordingly. Going forward and mindful of the need for the development of marketing materials to deliver the Strategy, initial funds have been identified and apportioned within the 2015 /2016 budget.

In progressing, the Strategy, recognition must be made that the more ambitious elements

are potentially dependent on the identification of external and partner funding contributions including from the private sector. At a time of ever decreasing public sector allocation this offers a possible risk. However, funding avenues will be continuously explored to identify suitable means by which to facilitate the continued promotion of the district.



Confidential
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Shared Services Overview

Meeting/Date: Overview & Scrutiny (Economic Well-being) Panel,
9 July 2015
Overview & Scrutiny (Environmental Well-being) Panel,
14 July 2015
Cabinet, 16 July 2015

Executive Portfolio: Cllr Jason Ablewhite, Executive Leader

Report by: Joanne Lancaster, Managing Director

Ward(s) affected: All

Executive Summary:

- 1.1. In July 2014, Huntingdonshire District Council (HDC), South Cambridgeshire District Council (SCDC) and Cambridge City Council (CCC) agreed in principle to work as a partnership to deliver a range of shared services over a number of phases, building on existing collaboration.
- 1.2. The first phase of this programme involves proposals for shared services for ICT, Legal Services, and Building Control.
- 1.3. This report outlines the overall approach that has been taken to the development of these shared service proposals and makes recommendations for governance and cost sharing in those shared services.

Recommendation(s):

- 1) That the approach to shared services outlined in the report be endorsed.
- 2) That approval be given to the establishment of a Joint Committee without delegated powers to oversee the delivery of shared services.
- 3) That the Executive Leader be confirmed as the Council's representative to this committee and a deputy be appointed.
- 4) That the proposed sovereignty guarantee in section 8 be approved.
- 5) That the approach to cost sharing principles and partnership agreement as outlined in section 9 be approved.
- 6) That the approval of the final partnership agreement be delegated to the Managing Director, in consultation with the Executive Leader of the Council.
- 7) That, subject to the approval of the business cases for ICT, Legal and Building Control shared services, formal consultation commences with Staff Council and affected staff on 24 July 2015, closing on 1 September 2015.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

1.1 The purpose of this report is to set out the context for the shared services proposals set out elsewhere on this agenda.

1.2 It deals with the overarching issues common to all three Phase 1 shared services.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

2.1 The three councils have differing geographies with one being rural, one being urban and one having a mix of urban and rural areas. The services that are provided in each council are delivered in varying ways and with different levels of staffing. Because of this diversity it is important that any shared service proposal must provide the best future option for the parties involved. This may mean that some services are appropriate to share across all three councils, whereas some may only be shared between two councils. The three councils have been working on the principle that any proposed shared service between two of the three partners will be brought forward in a way that allows the third partner to join at some future date without penalty.

2.2 Given the financial pressures that local authorities have been experiencing over the past few years, the three councils have already taken forward some shared service arrangements, namely:

- Home Improvement Agency – CCC, SCDC and HDC
- Internal Audit – CCC, SCDC and Peterborough City Council
- Payroll – CCC and SCDC
- CCTV – CCC and HDC
- Interim s151 officer (provided to CCC by SCDC)

2.3 This report proposes a more formalised model of working going forward, which will bring consistency, robust governance arrangements and provide mutually beneficial arrangements for all parties.

2.4 The councils each recognise that they are likely to be smaller and more streamlined moving forwards and, in order to both protect frontline services and ensure resilience of service delivery, new models of working are needed.

2.5 The three councils have already agreed that a key objective of sharing services is to provide seamless services to both internal users and the public in order to deliver the following outcomes:

- protection of services which support the delivery of the wider policy objectives of each council,
- creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service,
- savings through reduced management costs and economies of scale,
- increased resilience and retention of staff,
- minimise the bureaucracy involved in operating the shared service,
- opportunities to generate additional income, where appropriate,
- procurement and purchasing efficiencies, and
- sharing of specialist roles which are not individually viable in the long-term.

2.6 Each of the councils is committed to consulting with staff and their representative Trade Unions (SCDC and CCC) and Staff Council (HDC) in relation to the proposals that affect them. Shared services will continue to ensure the following outcomes for staff:

- fair terms and conditions of employment,
- a commitment to staff training, development, retention and talent management, and
- a commitment to tackling inequality and celebrating diversity in service delivery.

3. OPTIONS CONSIDERED/ANALYSIS

3.1 For some time, all three partner organisations have been considering a range of options, including insourcing/outourcing of their Building Control, ICT and Legal services and the establishment of a shared service. More recently, CCC, HDC and SCDC have reached a broad agreement to establish a range of shared services. The close geographic proximity of these three organisations combined with the high affinity in type of service provided has led to the conclusion that Building Control, ICT and Legal shared services have merit. The financial models bear this out.

4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?

4.1 One of the reasons the councils are planning to share services is there are significant risks in doing nothing. Each council needs to find significant savings and they also need to recruit and retain skilled staff in a competitive market place and improve the resilience of relatively small teams. Shared services offer a way of mitigating these risks.

4.2 There are also a number of risks associated with the proposal to share services across three councils. The main risks are highlighted in the table below with detailed programme and project risk registers having been developed to support effective implementation.

Risk	Initial Risk level (low/ medium/ high)	Actions to mitigate (reducing risk to low)
Staff are on different terms and conditions resulting in cost implications, challenge from those affected and impacting on morale	Medium	Initial analysis has shown that there are more similarities than differences between the three councils. Work is underway to assess the impact of any differences and to provide a suitable course of action to harmonise policies.
A lack of robust governance arrangements leads to disputes and inequity	Medium	The proposed Lead Authority model and Joint Committee (without delegated powers) will provide a formalised arrangement for operational management and processes by which to manage disputes. Legal specialists will provide a clear view of the steps needed and requirements to protect all parties to the shared

		services arrangements, enabling everything to be agreed and in place prior to implementation.
A lack of agreed cost-sharing principles	Low	The proposed cost sharing principles have been agreed in principle by the three councils. The principles are based on a fair and pragmatic approach, given the current position of each council. The proposed governance arrangements will also support the delivery and manage any disputes.
Overall financial savings targets not met or are unrealistic and unachievable, leading to service 'cuts' being required elsewhere to meet the shared service saving shortfalls	Medium	Delivery against savings target to be regularly reviewed and evaluated as part of the implementation and delivery of the shared services business cases. Business cases include robust financial analysis and risk / sensitivity analysis for projected savings. Cost sharing proposal that service budgets are at 85% of pre shared service levels initially builds in savings in year 1. Posts being held vacant until structures agreed offers early possible savings.
Shared services do not deliver the expected good quality services to internal and external customers	Low	Clear principles to be established to agree how service standards will be developed and approved. These will support standardisation where this is appropriate but allow for local variation where this is required, costing model to reflect cost implications of different service delivery.

5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 5.1 To enable effective management of the shared service programme, a phased approach has been taken. This will allow for the refinement of any principles or models of working, as progress is made and will allow for easier implementation.
- 5.2 This first phase is comprised of the three shared services being put forward as full business cases, for consideration, namely ICT, Legal and Building Control services. The proposed date for the shared arrangements to effectively go live is 1 October 2015.
- 5.3 A significant amount of effort and resource will be required to ensure the successful implementation of Phase 1 and this will be the focus. However, a number of other services have potential for future collaboration and are being explored. These are:
 - Growth and Planning
 - Internal Audit

- Finance and Procurement
 - Strategic Housing
 - Regulatory Services
- 5.4 It is proposed that a Lead Authority model will be used for the shared service arrangements since this best reflects the current vision for shared services and the starting position of each partner council. It will also enable cultural and working practice changes to be more easily implemented, as one council will be responsible for the operational delivery of the service.
- 5.5 Each shared service manager will be responsible for the overall operation of that service, the delivery of their business plan and achievement of performance and financial targets.
- 5.6 Once services move into the operational phase, there will be the need to ensure that robust governance is in place to oversee service delivery. While there is an officers' board in place currently, and Leaders have been meeting to review progress on a regular basis, there is a need to formalise the role of members and to ensure clarity transparency.
- 5.7 It is proposed a Joint Committee should be established to oversee the operation of shared services, supported by an officer Board, but the committee would not have delegated powers or functions. It would formalise existing arrangements but without any partner council delegating power to another entity. This arrangement has the benefit of being a collaborative arrangement with all parties represented equally, without favouring or representing the interests of any particular party.
- 5.8 The remit of the Joint Committee would be to provide advice, oversight, challenge and endorsement of the shared services business plans and budget. It is important to note that without any delegation or discharge of functions and powers, they would act as an advisory body to the three councils only.
- 5.9 This means that each participating council would retain Executive decision-making powers for their shared service functions. The Joint Committee will receive regular updates on the operation of the shared services and will take reports and recommendations for decision to their respective Executives (and full council, if appropriate), at agreed points and with the engagement of each council's Scrutiny committees.
- 5.10 The Joint Committee meetings would be held as public meetings, forming part of each council's calendar of meetings. Membership would be the Leaders of each council with a nominated deputy/alternate attending in their absence.
- 5.11 In order to ensure that each participating party protects its interests in the shared service when it is not the Lead Authority, an intelligent client function is proposed. This would involve a designated "contract manager" at each council, responsible as the liaison with the Lead Authority for operational issues encountered or for requested changes to the service being received. This would not be a new post in the establishment, but instead will be a function undertaken by a senior officer within each council (whether Lead Authority or client), who has the relevant service knowledge to effectively enter into discussions in relation to the service and its performance.
- 5.12 The existing Partnership Board for Shared Services (PBSS), which is comprised of the three Heads of Paid Service together with a Corporate

Director from each organisation, will oversee the ongoing operation of new shared service arrangements. In addition, it will oversee the development of new proposals in future phases for Joint Committee consideration prior to the required Executive decisions at each council.

- 5.13 Appendix 1 demonstrates the proposed governance model that is a member-led model, supported by officers of each council.
- 5.14 A Sovereignty Guarantee has been used elsewhere in similar shared service arrangements to give confidence to individual councils' executives that they will retain sovereignty of their organisations, as well as Executive decision-making powers.
- 5.15 It is proposed that each council endorses the Sovereignty Guarantee contained at Table 1 below.

Table 1

A sovereignty guarantee

All three councils are committed to continuing to represent the needs, priorities and ambitions of local people in their neighbourhoods.

They are exploring reducing costs by working together. They are also keen to take new devolved responsibilities from Government and manage these together, where this makes sense.

Commissioning or delivering services together is specifically designed not to change how residents experience services. It is about how to get things done more efficiently.

To safeguard local autonomy the councils confirm:

1. Local residents will continue to elect councillors to each council.
2. Each council will retain its own constitution, setting out how it makes decisions, organises scrutiny and delegates authority.
3. Each council will continue to set its own council tax and publish its own budget and accounts.
4. Each council will continue to be able to set its own spending priorities.

- 5.16 To support this governance structure and Lead Authority model of operation, it is also usual for partners to enter into a Partnership Agreement. The partnership agreement describes the governance arrangements, the terms of engagement between partners and the roles they play in relation to each service – either as recipients of the shared service from another council or the Lead Authority that provides the shared service to others.
- 5.17 The agreement can also provide assurance that this is a true partnership collaboration and not a commercially beneficial arrangement for one party alone, therefore demonstrating compliance with EU Procurement legislation.
- 5.18 Proposals for an identity for the shared services are currently being developed.
- 5.19 Identifying an internal identity for the shared service is important to help reinforce for staff that the shared services are something new and different

and they are providing services to all three councils even though employed by one. For example, staff could have a shared service email address rather than simply the email address of the host council.

- 5.20 Having a clear identity will be important in recruiting new members of staff to the shared service as it will clearly signal that the three councils are taking a different approach to service delivery. In some cases we may wish to consider establishing a separate brand for a shared service where there are clear commercial advantages in doing so, for example it has been argued that a Building Control Service may be better placed to compete in the market where it is not overtly provided by a local authority body.
- 5.21 Any branding will also need to work from a customer perspective.

6. LINK TO THE CORPORATE PLAN

- 6.1 The shared services are fully aligned with the strategic goal of ensuring services are provided in the most pragmatic, cost-effective manner. The economies of scale presented by shared services will provide lower unit costs of service provision through economies of scale and increased buying power.

7. CONSULTATION

- 7.1 Formal Transfer of Undertakings (Protection of Employment), commonly known as TUPE, consultations with staff and Staff Council are scheduled to commence shortly, in the event of the business cases being approved. It would be premature, and indeed inappropriate, to commence consultation until such a decision is reached. The consultation will relate to TUPE arrangements and restructures as outlined in the business cases.

8. LEGAL IMPLICATIONS

- 8.1 Local authorities have a number of legal powers in relation to discharging their functions and indeed, in trading or supplying goods and services.
- 8.2 Section 101 of the Local Government Act 1972 enables a local authority to delegate or discharge its functions to another local authority or a Joint Committee, together with the relevant executive functions. It is important to note that the authority to which the statutory responsibility is originally allocated by central Government remains responsible for the function, even if they have delegated the delivery to another body.
- 8.3 In addition, the Local Authority (Goods and Services) Act 1970 enables a local authority to supply goods and materials or services, which include administrative or technical services, to other public sector bodies and enables them to charge at a rate where the revenue may exceed the cost of provision (thereby producing a profit). However, the arrangement must be overtly collaborative in nature rather than a purely commercial contractual arrangement; otherwise it will fall under EU Procurement rules. Sharing of savings amongst the three parties via an agreed mechanism would help to demonstrate that one party alone was not commercially benefitting from the arrangement.
- 8.4 When it comes to trading services with other non-public sector bodies, although Section 93 of the Local Government Act 2003 now enables local authorities to undertake chargeable activities that are in line with the exercising of their ordinary functions, revenue cannot exceed cost.

- 8.5 However, Section 95 of the same Act enables the provision of services to be undertaken on a more commercial, profit-making basis if the services are delivered through a corporate vehicle, i.e. it is not the council itself that is directly trading, although it could own the separate company through which it trades. This may provide opportunities for future service developments for the partnership.
- 8.6 The impact of the different legislative provisions is that the councils can discharge their functions (with the correct delegations and legal approvals), to be undertaken by another council and essentially make a profit, but they cannot commercially trade with other non-public bodies on the same basis, without the use of a corporate entity (i.e. a formal trading arm).
- 8.7 Should there be a requirement or opportunity to trade on a more commercial basis in the future, then a corporate entity would need to be considered such as a wholly-owned but arms-length Local Authority Trading Company (LATC). This is not proposed at this stage but could be an option for the future.
- 8.8 There are a number of terms that should be considered for inclusion in a Partnership Agreement, and this will be subject to legal advice, but should include the following as a starting point:

- **Governance arrangements**

See Appendix 1

- **Length of the agreement and review points**

- The term for the shared service arrangement will be 5 years, with a review point at years 2 and 4.

- The purpose of the 2-year review point will be to test delivery of ambitions and then, if the partners are ready, enable a move to a true recharging model, based on service usage and future demand, rather than a continual investment of existing budget by the council.

- The 2-year review will rely on service-usage data, which will inform an intelligent, evidence-based approach, with performance reporting being the subject of more detailed discussions.

- **Dispute Resolution**

- In the first instance, officers undertaking the role of contract manager for each party will attempt to resolve any dispute. If disputes cannot be resolved at this point, they will be referred to the Corporate Director at each partner council who is responsible for that particular shared service.

- Any disputes still unresolved at this point would then be referred to the Partnership Board for Shared Services (PBSS) and if necessary to the Joint Committee.

- **Cost Sharing Principles**

- The three councils have already endorsed the principle of sharing costs on a proportionate basis. This means that each council would invest their current service budget, less their agreed target savings for that service for the financial year 2015/16.

- Any surplus savings from shared services would be shared amongst the participating councils using the same proportionate formula (based on their initial budgetary investment as a proportion of the overall budget for the shared service). Any additional set-up costs should be met using the same proportionate formula.
- Any staff-related implementation costs occurring as a result of the new structure such as redundancy and pay protection will be shared as follows:
 - o costs associated with staff ring-fenced for the proposed management structure will be borne by the pre-TUPE employer;
 - o costs in respect of other employees should be borne by the three partner authorities in proportion to their contribution to the service budget.
- There will be a review period set at 2 years from the go-live date for each shared service, at which time the Lead Authority will consider moving to a full recharging model and to absorb any further costs associated with the delivery of the service, including redundancy costs.

9. RESOURCE IMPLICATIONS

- 9.1 Each of the councils involved in shared services are committed to engaging and consulting with staff on the proposals. Staff that will be impacted by the implementation of shared services proposals have been communicated with and involved in developing the visions for the services that are included in the business cases. The Trade Unions and Staff Council (at HDC) have also been engaged on a regular basis.
- 9.2 Staff have been briefed on the planned implementation timetable, which includes a proposal to use TUPE to transfer all staff to the nominated Lead Authority for their service, with a go-live date of 1 October 2015.
- 9.3 Subject to approval of the three business cases, the Trade Unions, Staff Council and impacted staff will be consulted with during the formal consultation period of 24 July to 1 September 2015, at which point consideration will be given to the feedback received during the consultation process.
- 9.4 Subject to the outcome of the consultation, preparations to TUPE staff would then take place during September and would come into effect as of 1 October 2015. At this point, staff will become an employee of the Lead Authority for their service.

10. Financial Implications

- 10.1 The detail of the savings that each shared service should realise is contained in each business case.
- 10.2 The three councils were successful in a bid for Transformation Challenge Award (TCA) funding. The TCA is a grant given to local authorities (following successful application), that aims to enable major structural change through collaborative working (shared services).
- 10.3 The main focus of the original TCA bid was to support the establishment of a project team and a commitment was given to provide additional partner

resources. This is being met at present through “in kind” arrangements, i.e. capturing the time spent by officers working on the shared service programme as the contribution to match funding and totals £381,307 to date.

Total funding received was £529,090; of this:

- £133,603 has actually been spent by the three partners,
- £320,807 has been allocated but not yet dispersed as awaiting final invoices, and
- £74,680 is currently unallocated.

- 10.4 To date, the majority of the expenditure has been to support the project specialists that have been used to progress the programme workstreams to the current point. This is monitored and the overall TCA fund managed by the Head of Resources at HDC, reporting to the Partnership Board at least quarterly.

11. OTHER IMPLICATIONS

11.1 Environmental Implications

Low positive impact - a reduction in accommodation and energy use associated will have a positive impact. Potential negative impact from increased travel will be mitigated by increased mobile and remote working.

12. REASONS FOR THE RECOMMENDED DECISIONS

- 12.1 Sharing services presents a great opportunity for all three councils to save money and build resilience across their current services, which often contain highly specialised roles. It also provides the opportunity to improve services to customers, by ensuring a focus on seamless service delivery.
- 12.2 However, the success of shared services must be underpinned by robust governance arrangements that will ensure transparency of both operational and strategic decision-making.
- 12.3 In addition, there is the need to build intelligence in relation to the shared services as they begin to be delivered on behalf of partners. This will not only to ensure effective monitoring of Lead Authority performance via an “intelligent client” function, but will inform the future shaping of the service and enable partners to access what they need.

13. LIST OF APPENDICES INCLUDED

Appendix 1 – Proposed Governance Model

BACKGROUND PAPERS

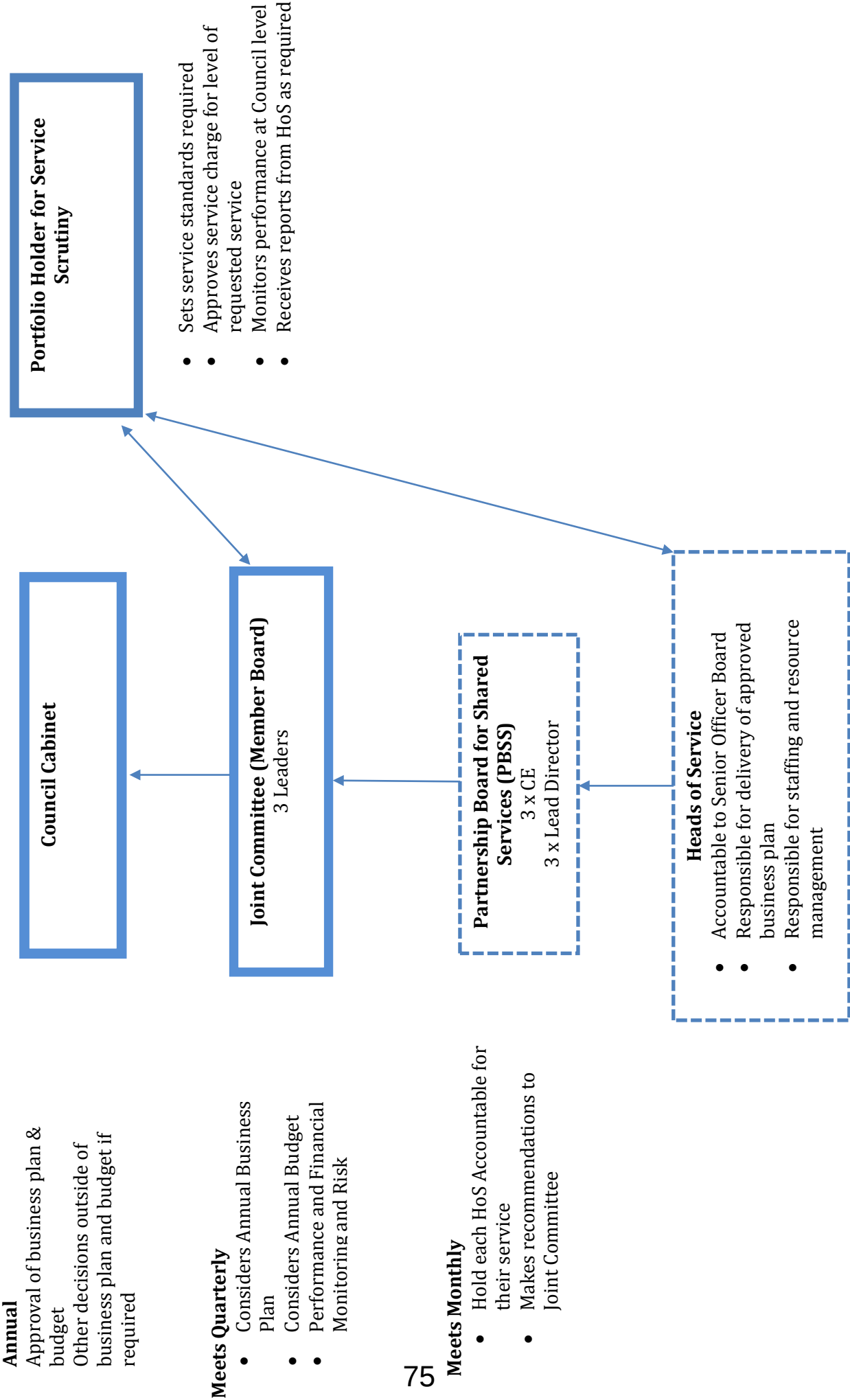
November 2014 Cabinet meeting.

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Appendix 1 – Proposed Governance Model



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Confidential
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Legal Shared Services Business Case

Meeting/Date: Overview & Scrutiny (Economic Well-being) Panel,
9 July 2015
Cabinet, 16 July 2015

Executive Portfolio: Cllr Harrison, Executive Councillor for Strategic Economic
Development & Legal

Report by: Joanne Lancaster, Managing Director

Ward(s) affected: All

Executive Summary:

- 1) Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) have agreed to work in partnership to deliver a range of shared services and have agreed principles to underpin this approach.
- 2) This report provides the business case to establish a Legal shared service between the councils and details the activities to create the Legal shared service.

Recommendation(s):

To approve the business case and delegate the authority to the Managing Director, in conjunction with the Portfolio Holder for Strategic Economic Development & Legal, to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the shared service in accordance with the detailed business case.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

- 1.1 The report describes why there are strategic and financial benefits to all three partners in creating a Legal shared service for CCC, HDC, and SCDC. It contains the vision and strategy for the Legal shared service and describes the services which would be provided. It also includes the timetable for implementation, including the transfer of staff from HDC and SCDC to CCC.
- 1.2 The report also contains a detailed financial model showing how savings will be achieved against baseline (starting) budget, and the cost benefit apportionment between the three partners.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 When this matter was last reported, approval was given to establish a Business and Legal Practice Manager to assist with the development of the Practice. However, an approach using the services of an interim manager was adopted instead in order to maximise flexibility in the design of the management structure during the development of the business case. This was funded in full by the Transformation Challenge Award made by Government to the three councils concerned to support their work towards a range of shared service arrangements.

3. OPTIONS CONSIDERED/ANALYSIS

- 3.1 For some time, all three partner organisations have been considering a range of options, including insourcing / outsourcing of their Legal services and the establishment of a shared service. More recently, CCC, HDC and SCDC have reached a broad agreement to establish a range of shared services, Legal being one of these. The close geographic proximity of these three organisations combined with the high affinity in type of service provided has led to the conclusion that a Legal shared service has merit. The financial model bears this out.

4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?

- 4.1 Section 11 of the business case describes the key risks and associated mitigation actions. The financial modelling undertaken during the production of this business case provides significant mitigation to the risks around lack of clarity as to how savings will be identified, tracked and apportioned back to the partners.

The other key risk area is that of staff transfers from HDC and SCDC to CCC. The detailed timeline and implementation plan for TUPE consultation and staff transition has been developed in order to mitigate this risk and maximise the possibility of smooth transition to establishment of a Legal shared service

5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 5.1 This business case will be presented during July 2015 for approval by all three partner councils. In parallel, the work required to prepare for going live on 1 October 2015 shall also proceed, including the identification of “Quick Win” projects which can help realise early benefits from the Legal shared service.

6. LINK TO THE CORPORATE PLAN

- 6.1 This business case is fully aligned with the strategic goal of ensuring services are provided in the most pragmatic, cost-effective manner. The economies of scale presented by a Legal shared service will provide lower unit costs of service provision through economies of scale and increased buying power.

7. CONSULTATION

- 7.1 Formal TUPE consultations with Staff and Staff Council are scheduled to commence shortly, in the event of the business case being approved. It would be premature, and indeed inappropriate, to commence consultation until such a decision is reached. The consultation will relate to TUPE arrangements.

8. LEGAL IMPLICATIONS

- 8.1 Transition of staff from HDC and SCDC to CCC will be fully compliant with TUPE legislation.

9. RESOURCE IMPLICATIONS

- 9.1 Staff will transfer from HDC and SCDC to CCC when the Legal shared service is established, currently planned to be 1 October 2015. All financial assumptions are set out in the business case.

10. REASONS FOR THE RECOMMENDED DECISIONS

- 10.1 There are strategic, commercial and environmental reasons why the recommendation is to create a Legal shared service.

11. LIST OF APPENDICES INCLUDED

Appendix A – Business Case

BACKGROUND PAPERS

November 2014 Cabinet papers.

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Business Case and Proposal For the formation of a Single Legal Service for Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

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1.0 Executive Overview

- 1.1 Cambridge City Council ('CCC'), Huntingdonshire District Council ('HDC') and South Cambridgeshire District Council ('SCDC') have agreed the principle of working in partnership to deliver a range of shared services. It is proposed that this takes place on a phased basis rather than have one large implementation of a wide range of shared services. A successful bid was made to the Transformation Challenge Award (TCA) fund, a Government scheme to support public sector transformation. The TCA money is being used to support the shared service initiative in general and some of it is being used to support the creation of a legal shared service, to be known as the Practice, which is included in phase 1 of the shared service programme.
 - 1.1.2 Although there are differences in how each of the three Council's legal teams operate, they are facing similar challenges for the future - namely, how to manage with fewer resources, yet provide the high quality and often specialised legal advice that Councils rely upon. Each Council also recognises the need for a change of culture in the commissioning and delivery of legal services.
 - 1.1.3 Individually, each council struggles to recruit and retain legal staff, and is increasingly reliant upon external providers to meet its needs, especially on major projects. Nationally, standalone legal services teams are unable to maintain a staffing level that provides the specialists they need across a wide range of legal disciplines; this is becoming increasingly difficult as legal budgets reduce. A shared service solution to join forces and create a critical mass of capability, target efficiencies, and actively seek to take advantage of income generating opportunities is what is being considered here.
 - 1.1.4 It is proposed to form a single Practice comprised of 19 legal fee earners and 7 administrative staff, operating from 3 hub offices in Cambridge, Huntingdon and Cambourne.
 - 1.1.5 The total budget of the new Practice will be circa £1.5m. As with all service areas within the three Councils, each Legal Services team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 15/16 budgets (the last year when each Council approved its own legal service budget if this Business Case is accepted). These savings are therefore not reflected in the starting budget for the new service. Further savings for delivery in 16/17 are set out in section 9 of this document.
 - 1.1.6 It is proposed that the Practice should be provided through a Business Plan from October 2015, delivered by 'CCC' on behalf of the three participating Councils.
- 1.2 The proposal carries some initial investment and it is proposed that this will be funded from the Transformation Challenge Award (TCA) and vacant posts:
 - the proposal is to use interim management arrangements to drive the implementation of the Practice between July and the appointment of a new management team (see 3.2). This cost is estimated at £80k.
 - additional licences, maintenance fees and project management for the proposed extension of the computerised case and time management system across the Practice. This cost is estimated at £30k.

- 1.2.1 Following the proposed TUPE transfer of staff into the Practice it is proposed that a new management team will be appointed to oversee a service-wide restructuring; this will take place within the first year. It is proposed that additional implementation costs occurring as a result of the new structure such as redundancy and pay protection will be borne in the following way; those costs associated with staff ring-fenced for the proposed management structure will be borne by the pre TUPE employer; costs in respect of other employees should be borne by the three partner authorities in proportion to their contribution to the legal service budget.
- 1.3 The proposal offers a sustainable opportunity to stabilize and improve the legal service that partners already enjoy: existing teams will stay where they are on commencement of the Practice so as to minimise disruption to clients and maintain the existing balance between the supply and demand for legal services. This arrangement will be reviewed within the first six months of its operation. Furthermore, where specialist advice is needed it can be obtained from within the Practice or commissioned by it from external legal advisers, funded directly by client departments subject to their prior agreement or by the Practice themselves where the advice is required by them rather than the client.
- 1.4 The proposal sets out clear and realistic measures by which participating authorities may achieve significant, recurring, long term efficiency gains. It also tackles the issue of lack of capacity in certain areas of expertise (for all three Councils) by creating a critical mass of capacity coupled with management arrangements that will enable resources to be deployed effectively and efficiently and the adoption of better standardised practices and processes. It will begin to address the issue of recruitment and retention in local authority legal services by creating an organisation that offers greater opportunities for career progression, both as specialist lawyers and as managers. The configuration of the Practice also provides flexibility in the delivery of support of the monitoring officer function to each of the participating Councils.
- 1.5 The new, more innovation-focussed characteristics of the Practice will demand a high standard of leadership. The proposal therefore underlines the need to ensure that the senior management team possesses the right range of managerial, commercial, innovation and change management skills necessary to deliver the new service, the proposal therefore acknowledges the need for the creation of the new post of Head of Legal Practice.

2.0 The Existing Provision of Legal Services

- 2.1 Currently, each council operates its own discrete legal services, each with a dedicated small team of legal and administration staff and led by a Head of Legal Services.

Currently staffing levels are as follows:

	Barrister/ Lawyer	Part qualified legal staff	Administration staff	Vacancies/Locums/ Temps	Staff
Cambridge City Council	8	4	4	2	18
Huntingdonshire District Council	2	0	2	0	4
South Cambridgeshire District Council	4	1	1	2	8
Existing total	14	5	7	4	30

2.2 The gaps in expertise mean that legal teams often struggle to meet the proper service demands of their client departments, necessitating increased costs from the externalisation of work to external lawyers. The Practice solution will focus on closing those gaps initially by using the capability from within it for the benefit of the three partners and by better aligning current capacity with demand.

2.3 Details of the extent of the current external spend in respect of legal services can be found below.

External Legal Costs				
	CCC £	HDC £	SCDC £	Total £
2012/13	141,440	249,108	97,372	
2013/14	146,664	145,215	97,032	
2014/15	119,474	80,950	84,650	
	407,578	475,273	279,054	
Average spend:	135,859	158,424	93,018	387,301
			10%	38,730

2.4 It is considered that a 10% reduction in the value of currently externalised work should be achievable; based on a £387k figure this would have a value of £38k pa. See 2.3 above.

3.0 Cost Sharing and Efficiencies

3.1 In accordance with the general principles proposed for shared services, contained in the covering report elsewhere on this agenda, savings made by the Practice will be distributed in proportion to the initial investment made by the three Councils.

The gross budget for each Legal service, the proportions for the Practice and the anticipated 16/17 savings are illustrated below.

Gross Budget for each Legal Service

	2015/16 £
CCC	826,130
HDC	202,860
SCDC	415,080
	1,444,070

2016/17 savings shared in proportion to 2015/16 gross budget contribution

57.21%	14.05%	28.74%	
CCC £	HDC £	SCDC £	Total £
102,403	25,146	51,451	179,000

- 3.1.1 The existing 15/16 budget provision from each legal service will be incorporated to form the Practice budget. This is net of the identified savings within those budgets which will be achieved by the Council's concerned prior to the transfer of the budgets to the Practice. This is illustrated in the following table which also shows the reducing net budget as a result of the proposed savings target for 16/17.

The Practice Budgets (excluding recharges / overheads)

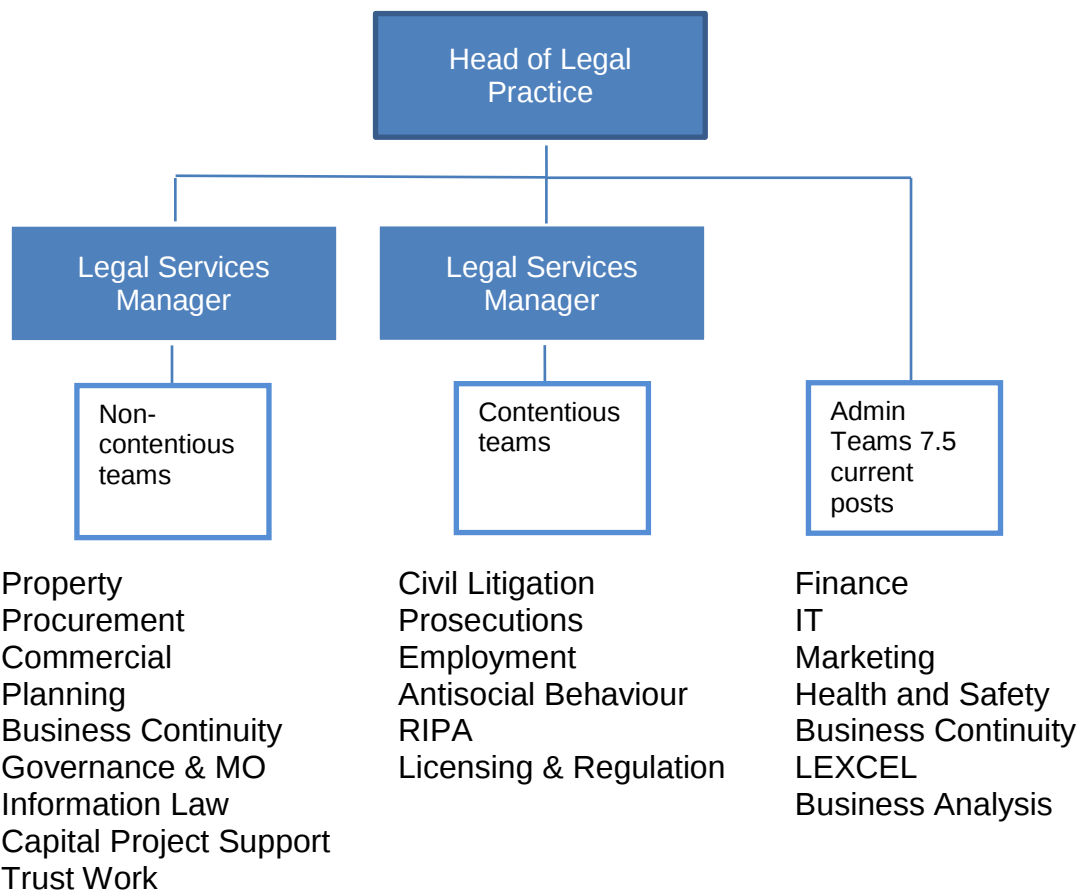
	Year 0*	Year 1		
	2015/16 £	2016/17 £	Savings £	Savings %
Gross Budget	722,035	1,303,800	140,270	
Less Income	125,355	289,440	38,730	
Net Budget	596,680	1,014,360	179,000	15%

* Yr 0 figures are for the 6 month period from Oct 15 to Mar 16.
Year 0 figures assume savings already taken from Partners prior to baseline budget setting

- 3.1.2 Once the Practice has been created and has gathered some operational baseline data, it will develop an approach by which each council can determine the performance required and target potential efficiencies. Any surplus would then be distributed back to the Councils in proportion to the level of usage of each partner.

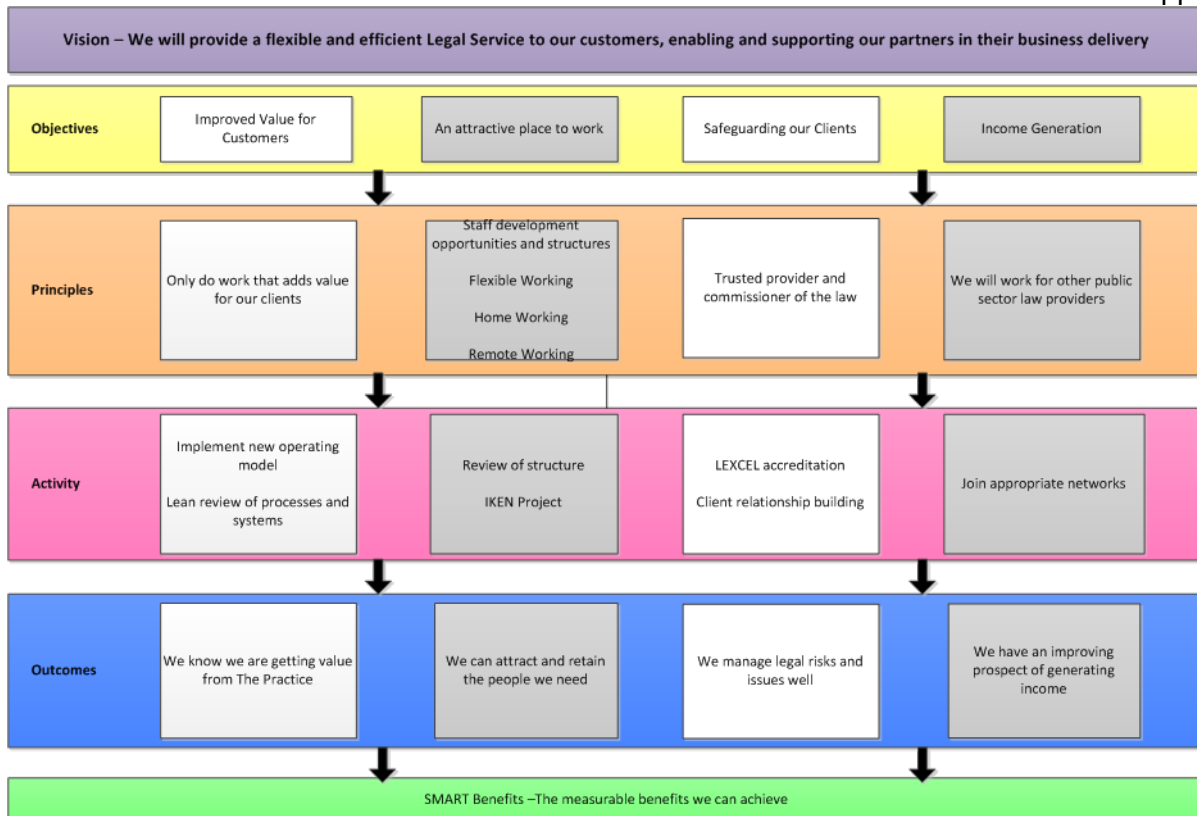
3.2 New Operating Model and Roles

It is proposed that the Practice will operate within a new operating model which will be led by 3 new management roles, these are illustrated over.



3.3 Vision

The vision for the Practice is contained in the following table.



3.4 Scope

Although it is recognised that different legal teams take on a variety of functions across each council, it is solely legal services and the administration that supports legal services which are included in this business case.

- 3.4.1 Land Charges, Elections, Democratic Services and Procurement teams are accordingly not within the scope of the Practice. This will create some disaggregation issues for participating Councils as there are staff out of scope currently within legal services and staff within scope who currently manage staff not within the legal team – all these issues are in hand within the respective Councils.
- 3.4.2 Work relating to the Regulation of Investigatory Powers Act ('RIPA'), the Freedom of Information Act ('FOIA'), the Data Protection Act ('DPA'), Assets of Community Value ('ACV') and similar areas will remain with the participating Councils who will commission legal advice and support as appropriate from the Practice.
- 3.4.3 As regards the Monitoring Officer role, each authority will take a decision on its required Monitoring Officer arrangements separately from this project. The Practice can, if required, provide a full Monitoring Officer service to any authority which requires it. Responsibility for corporate governance within each participating authority will remain with that authority and its Monitoring Officer, with the Practice providing legal support and assistance as required.
- 3.4.4 The Practice business case is based upon the need to increase resilience, improve the quality of service to clients, become more efficient and increase capacity within the Practice in order to reduce expenditure on external legal support and increase external fee earning opportunities. It will always be necessary to externalise a

proportion of legal work in specialist areas, but this should be an exception and not the norm. Commissioning of legal work externally will only take place following discussion with the legal team and a robust assessment of capacity and risk issues. Council service departments should not individually buy in external legal services; all commissioning activity should be managed via the Practice.

4.0 What we aim to achieve - Opportunities for an improved service

4.1 Optimising effective use of legal skills

Although there is a fully functioning case management system and workload/time recording in operation at CCC ('IKEN'), this does not take place in either HDC or SCDC. A form of case management ('Sharepoint') is utilised at SCDC and this system has the advantage of direct client access to case management information but no recording or management of staff work time. HDC have a case management system, 'Solcase', but it is not consistently used.

4.1.2 The Practice will need a fully integrated case management system with clear chargeability targets for all legal staff, in order to begin to understand staff capacity and utilisation.

4.1.3 It is initially proposed this is delivered by the extension of the existing IKEN system used by the City Council (although cases already on the SCDC Sharepoint system would remain on that system until implementation of the already proposed upgrade of the IKEN system to allow direct client access (due within the next 9 -12 months).

4.1.4 The IKEN system also provides for administration and management files and reports meaning that the system can also be used to manage the performance of the Practice.

4.1.5 It will be necessary to negotiate additional user licences to allow the extension of the IKEN system. It is hoped, in current markets, that this could be done with reduced extra cost but, in any event it is anticipated that any additional fees would only be around £1000 per person for the licence and £400 per person annual maintenance. A budget provision of £30k is required for licences and implementation.

4.2 Review the level of currently outsourced legal work

Across the three Councils a significant amount of work is currently outsourced to external legal providers at significant extra cost. The amount spent is estimated at £387k each year. However, it is very difficult to get an accurate figure for the cost of work outsourced due to differing accounting practices. In all Councils the cost of any external legal work is borne by individual services that require this work to be carried out. The direct cost is not reflected in the budgets for legal services giving little incentive to try to accommodate the work in-house. A table showing current estimated expenditure on external legal services across all three Councils over the past 2 years is at 2.3 above.

4.2.1 Each council currently has a range of specialisms that it manages in-house and each has to go externally to meet any gaps in expertise or capacity. It is difficult to get a fully accurate picture of the total amount of legal work carried out across the three Councils - however, it is clear from having carried out fact-finding interviews with each Council's legal services team and an assessment of expertise and

capacity set out above that there is cross-over with one Council having the ability to meet work needs arising in another. This means there is capacity within the Practice to manage current work requirements and, in particular that there is scope for work currently outsourced to be picked up too, particularly planning and employment law work; this is particularly true if clearer and more bespoke administrative support arrangements are put in place to support the legal professionals.

4.2.2 Additional chargeable legal capacity has been identified within the service currently provided. 'CCC' is the only team that record, in detail, its chargeable time. This indicates that staff are working to a chargeable hours target of 1200 per annum, which is lower than the general local government chargeable hours target of 1250 per annum. The extension of such a target would release at least 600 additional chargeable hours to the new Practice (based only on CCC figures and only on the 12 permanent barrister / lawyer posts).

4.2.3 Some work will always need to be externalised – for example where Counsel's advice is needed or where the team does not have the experience in the relevant work area. For this latter eventuality it is proposed that 'partnering' arrangements are entered into with other local authority in-house teams, particularly other practice legal teams so that, in the event such work is put out, the rates charged for such work are considerably less than those charged in private practice (and with the additional bonus of a built-in understanding of local authorities and how they work). (See 4.4 below).

4.3 Client Demand Management

It is clear that there will need to be a cultural shift in how the council services target and access legal advice. This can be done by mainstreaming a robust risk-based approach, while maintaining a legal service in which departments, as intelligent clients, continue to have confidence including, for example:

- (a) Formalising instruction pro-forma so those requesting legal advice provide more detail of what they actually want and how it is to be funded at the outset.
- (b) Assisting client departments to undertake more work themselves so that routine work continues without unnecessary legal approvals.
- (c) Reviewing the meetings that legal officers are required to attend at both officer and member level.

4.3.1 An 'intelligent client' - able, through detailed liaison with the legal team, to make informed and robust decisions on behalf of their respective Councils whether, when and if so how, to commission legal work is a vital component of this proposal. It is recognised that a good deal of work will need to be undertaken as a matter of urgency by the new service to ensure that such confidence continues and is built upon.

4.3.2 One further way to better manage work load and to reduce the need to externalise legal work, is by managing the professional level at which work is carried out to ensure that it is aligned with the capability level required for the work and delivered at the lowest possible cost.

4.4 Improved Partnership Working

Both CCC and SDCD belong to the Public Law Partnership (PLP). *'PLP is the legal services partnership of authorities in Essex, Cambridgeshire, Hertfordshire and Suffolk who work together to share resources and ensure legal support is provided to all clients. PLP share staff, legal information, know-how and training and can provide public sector legal services to all public bodies.'* While participation in the partnership to date has been minimal, there are significant advantages in the new Practice remaining a part of PLP. PLP is still developing and has not yet reached its full potential, but partners are beginning to work together to explore 'lean' practices and provide standardised solutions to common issues. The support of a larger consortium will be valuable to the Practice as it begins to explore future options.

- 4.4.1 As set out in 4.2 above, it is also proposed that 'partnering' arrangements be created with other local authority in house teams particularly other shared services, to create 'best-practice' pools and information sharing.

4.5 External Publications

Each team relies on external publications as an essential tool of the legal profession. The vast majority of, but not all, legal publications are now provided on-line and there would be clear benefits from combining the purchasing power of all three Councils for the future procurement of these services.

- 4.5.1 Broadly all three Councils are already using the same services - Practical Law, Westlaw and Encyclopaedias on line.

- 4.5.2 Savings, however, are not expected to be large as both CCC and SDCD have already benefited from reduced publication costs by becoming a partner in the Public Law Partnership. The amounts currently spent on subscriptions, memberships, books and publications across all the Councils totalled £69k for 2015/16 and would appear to be in line with the requirements of the Practice.

4.6 Improved Key Performance Indicators (KPI's)

Setting some KPI's across the team will assist in driving forward some performance standards to be agreed between the partner Councils. This will be done within the development of the Business Plan and could include, for example:

(a) Reduction of external spend to (say) 50% of existing (across the board) level

(b) 100% of certain types of work to be undertaken in house (say, conveyancing and S106 agreements)

(c) % efficiency saving to be delivered by the Practice each year - target 8%

(d) Customer satisfaction survey levels not to drop below 90% excellent

- 4.6.1 KPI's for the Practice will form part of the Business Plan under which performance would be managed by the management team of the Practice and reported to each meeting of the Practice Operational Management Board (POMB) (see 7.2 c below) as well as reported formally back to Clients in an Annual Report (and more frequently on an exceptions basis). Performance will be monitored on a quarterly basis at the Partnership Board for Shared Services (PBSS) and the Joint Committee (Member Board).

4.7 Increased Productivity

A more robust service will allow work to be allocated to a fee-earner not only with appropriate expertise but also with capacity to deliver to the time-scales and priorities of the client, reducing the risk of bottlenecks and backlogs, improving client confidence and enabling council decisions and policies to be speedily and efficiently implemented.

5.0 **The Delivery Vehicle for the New Service**

- 5.1 It is not proposed at this stage to set up a completely new legal entity for the proposed service. The law would require a separate trading entity to be run through a company, while the regulatory rules nationally governing solicitors would require such a body to be an 'Alternative Business Structure'.
- 5.2 This would entail additional formal requirements, such as the designation of specific roles within the Practice as compliance officer for legal practice (COLP) and a compliance officer for finance and administration (COFA) all of which have not insignificant cost implications. Also, if created as a stand-alone law firm, the new service would be required to comply with the Solicitors Accounts Rules maintaining separate client and office accounts (and entirely different and specialist approach to accounting from the local authority in-house model and one, again, entailing extra cost).
- 5.3 To avoid any unnecessary regulatory burden, in the first instance it is proposed that all staff would be employed by the lead authority, 'CCC'. This will require staff in scope from HDC & SCDC to transfer (under the provisions of TUPE) to CCC. The proposal is for staff to transfer to City Council employment on 1 October 2015. The proposed timeline for this process is set out in Appendix A/1.
- 5.4 The proposal is to initially organise the Practice around a multi-site basis with flexible accommodation in Cambridge, Huntingdon and Cambourne. This will be reviewed within the first six months of operation.
- 5.5 To deliver an effective and efficient legal service for its clients, the new Practice will require:
 - (a) Sufficient office accommodation – to be provided 'as is' in the first instance but to be subject to detailed review as part of the need to produce a new structure within the first year of the life of the new service.
 - (b) Appropriate IT systems (time and case management, legal research etc) to support
 - (c) Sufficient suitable qualified staff to undertake both the legal and support work necessary – to be ascertained through the proposed structure review referred to above.

6.0 **Managing and Commissioning the Practice**

6.1 How the Practice will be managed

It is proposed that the Practice will be managed by a new 'Head of Legal Practice', specifically chosen for entrepreneurial and leadership skills as well as management

capability and legal expertise (since the post-holder will be expected to run their own high-level legal caseload).

- 6.1.1 That role will be supported by 2 Legal Services Managers, responsible for the delivery of functional law in specific areas and for the allocation of work to the staff within those teams.
- 6.1.2 CCC currently has LEXCEL quality accreditation and it would be proposed to extend this to the whole service. This will be an important job for the Head of Legal Practice (See 10.5 below).

6.2 How work will be commissioned

As set out above, client departments will have a major role in developing a Business Plan on an annual basis, along with the Practice, in decisions on whether, when and, if so, how legal work should be commissioned. It will be important for those instructing the new Practice to have a 'go-to person' to whom work is referred, able to make decisions on to whom it should be allocated and ensure it is carried out within the client's requirements and timeframe. It is proposed this should generally be at the appropriate 'Legal Services Manager' level. See 3.2 above. For large areas of new work, whether planned or unplanned, or for unexpected major issues (such as major judicial reviews etc), this 'go-to person' would be the Head of Legal Practice who can make any necessary resourcing decisions.

- 6.2.1 Once work has come in, progress will be reported regularly back to clients, together with costs estimates etc.
- 6.2.2 The management team of the new Practice will have responsibility for ensuring proper on-going monitoring arrangements for work progress and proper client care through the Business Plan and reporting of appropriate 'key performance indicators' with each participating council.

7.0 **Governance and Decision-Making Processes**

- 7.1 Details for the governance arrangements for shared service are contained within the covering report elsewhere on this agenda.
- 7.2 It is proposed that the governance of the Practice be kept as simple as possible, as follows:

- (a) The Head of Legal Practice be line managed by the Director of Business Transformation at CCC.
- (b) The Practice will have an internal management team made up of the Head of Legal Practice and the Legal Services Managers, with input from others as required. (See 3.2 above)
- (c) A POMB will be established to (as necessary) agree or recommend to the PBSS decisions on, for example, commissioning matters, budgets, fee levels and so on, and to monitor performance. This POMB will set the direction for the partnership and will be made up of the Head of Legal Practice and 1 senior officer representative (acting in the role of client officer) from each of the participating authorities. Also on the POMB, in the capacity of 'critical friend' to the Practice, will be an external local authority legal expert (agreed by the

partner authorities) to ensure that external challenge is brought to the Practice in order to maintain best practice and innovation.

- (d) The Practice will produce an annual Business Plan which will be endorsed by the Joint Committee and which will be available for consideration through the overview and scrutiny arrangements in each participating authority.

8.0 Conflicts of Interest and Confidentiality

- 8.1 There are specific requirements within the professional codes of solicitors and barristers which set some strict requirements on how lawyers must manage conflicts of interest when acting for more than one client.
- 8.2 Similarly there are strict rules relating to the maintenance of client confidentiality when working for more than one client.
- 8.3 A Protocol and Procedure for such circumstances will need to be developed prior to the commencement of the new service.

9.0 Sharing Costs and Financial Benefits

- 9.1 Details of legal expenditure for all three Council's legal services teams are included at 3.1.2 above.
- 9.2 Funding of the Practice is proposed, for the first two years of operation, to be provided by each Council putting in its already budgeted amount for legal spend for 2015/16. The savings figures for Legal Services already agreed by each Council for year 2015/16 have already been removed from these budgets. For the avoidance of doubt, the figures in 3.1.2 show the projected savings for each council for future years and the Business Plan to be entered into by the participating councils on implementation of the new Practice will include provision that these figures are 'ring fenced' and protected from further reduction unilaterally by any participating council. This excludes spend on externally supplied law that is currently commissioned by client departments. Going forward, such externally supplied work will be commissioned by the Practice on behalf of client departments. It must be noted that the proposal is that each council will be undertaking to effectively 'ring-fence' this contribution at that level.
- 9.3 Where the Practice makes a surplus at the end of any year, this will be distributed back to the participating Councils. Where the Practice makes a 'loss' in any given year, the amount and reasons for this will be reviewed by the PBSS and Joint Committee and reported back to the participating Councils via their appropriate political structure.
- 9.4 External legal expenditure – details on how work will be commissioned are set out at 6.0 - work needed to be undertaken outside the Practice would be paid for by the service requiring the work to be carried out. Where this is required by clients, it will be paid for as a disbursement by clients. In the very rare event that external support is required by the Practice itself, it will be funded by the Practice. It is proposed that a target be imposed on the Practice to reduce external legal spend by 10% (£38k) in the first year of operation.

- 9.5 Income - Each legal team recovers income from successful court proceedings and re-charges to third parties for certain work, most notably planning applicants for Section 106 Agreements. Estimated income is around £251k in total see 3.1.2. However, we do not have a full picture of all income generated across the three Councils and more work needs to be done to reflect the different treatment of the income. It is worth noting that if earned income is not accounted for in legal services budgets, but put into service budgets instead, there is little incentive for legal services teams to maximise income potential.
- 9.6 It is proposed that monies relating to legal work, such as legal costs recovered in court fees and contributions towards legal costs in S106 cases, be returned to the relevant Council.

10.0 Broader Benefit Realisation of the Proposed Model

- 10.1 *Critical mass* – merging the teams will enable work currently outsourced to external legal suppliers at considerable expense to be undertaken in-house. Section 2.2 above sets out the opportunities for using spare capacity across the Practice.
- 10.2 *Sharing best practice* – it is NOT initially proposed as part of this shared service to provide a 'one-size-fits-all' Practice. Client Councils will be able, if they wish, to have their work carried out using the templates and processes which suit them best. However, sharing brings with it clear opportunities for Council's to pick up national and local best practice and process efficiencies and over time a move to a more standardised approach will be pursued.
- 10.3 *Resilience* – sharing a service means that work is able to be done by a wider range of people. Not only does this mean that work can be undertaken at the best and most efficient level to undertake it but also that there is always someone available to undertake work, during leave periods etc. For those who do not have it, moving to electronic case management and library resource provides essential business continuity support.
- 10.4 *Trading* – a combined service provides critical mass to allow the Practice to consider opportunities for additional income from undertaking external work for other public bodies. While it is undoubtedly true that, as more and more Councils look for opportunities to trade, the pool of available work is shrinking, there are opportunities out there – e.g. work for parish councils, support for the NHS and so on.
- 10.4.1 This brings with it opportunities to partner with both other council legal teams or with private practice law firms in tendering for appropriate work. Such relationships also generally bring other advantages, such as opportunities for shared (and therefore better value) training or marketing.
- 10.5 *Accreditation*- Lexcel is the Law Society's legal practice quality mark for excellence in legal practice management and legal client care. Only CCC currently has the Lexcel accreditation. The benefits are that it requires the introduction of sound systems and processes designed to improve client services and produce efficiencies. It is also an indicator to those outside of the Practice that certain professional standards have been set; this will be important as the Practice begins to market its skills more widely. As a combined service it will be difficult to achieve Lexcel accreditation across the three Councils in the first year of operation – so this

will mean that as a lead authority, CCC is likely to lose its accreditation until the new Practice is properly integrated and working to the required standard. This would be an important issue for the Head of Legal Practice to pick up as a matter of urgency.

10.6 *Commissioning and Funding*

10.6.1 The Practice provides the participating Councils with the opportunity to conduct a fundamental review of how legal services are both commissioned and funded

10.6.2 This will include gaining a clear understanding of the demand for law in order to ensure law is only requested and provided when necessary under a robust risk assessment. This will ensure that work, which can properly be done by client departments, is not referred to the Practice unless necessary, again under a robust risk assessment.

10.6.3 Funding - the traditional way of approaching legal funding is that Councils generally budget based on what they spent in previous years. Any charging is generally assessed by taking the cost of the legal service, and dividing it proportionally among service users. This 'multi-client' model provides the basis to enable the Practice, if required, to charge an hourly rate for the legal work it does and to do so at different levels depending on the grade of the officer working on it. It also enables the Practice to move to a charging model more akin to that of private practice law firms.

10.6.4 During the first 18 months of operation the Practice will provide legal capacity to the three partner authorities in proportion to the initial investment made by them. Once this level has been reached additional work would be charged for separately. This approach is being followed on the assumption that the budgets received by the Practice at the outset reflect expected demand for legal work from the Practice. This will allow time for a more detailed assessment of demand for legal services to be undertaken.

11.0 Analysis of Key Risks

11.1 The Shared Service covering report elsewhere on this agenda contains a register of general risks associated with the implementation of shared services. It is believed that the risks arising out of this specific proposal are not high and are easily outweighed by the benefits. A detailed risk register will be developed as part of the new service.

12.0 Implementation

12.1 It is proposed to retain experienced interim support to manage and drive the implementation of the Practice and to manage its operation until the new Practice management structure is in place. The cost of this will be funded via the TCA fund.

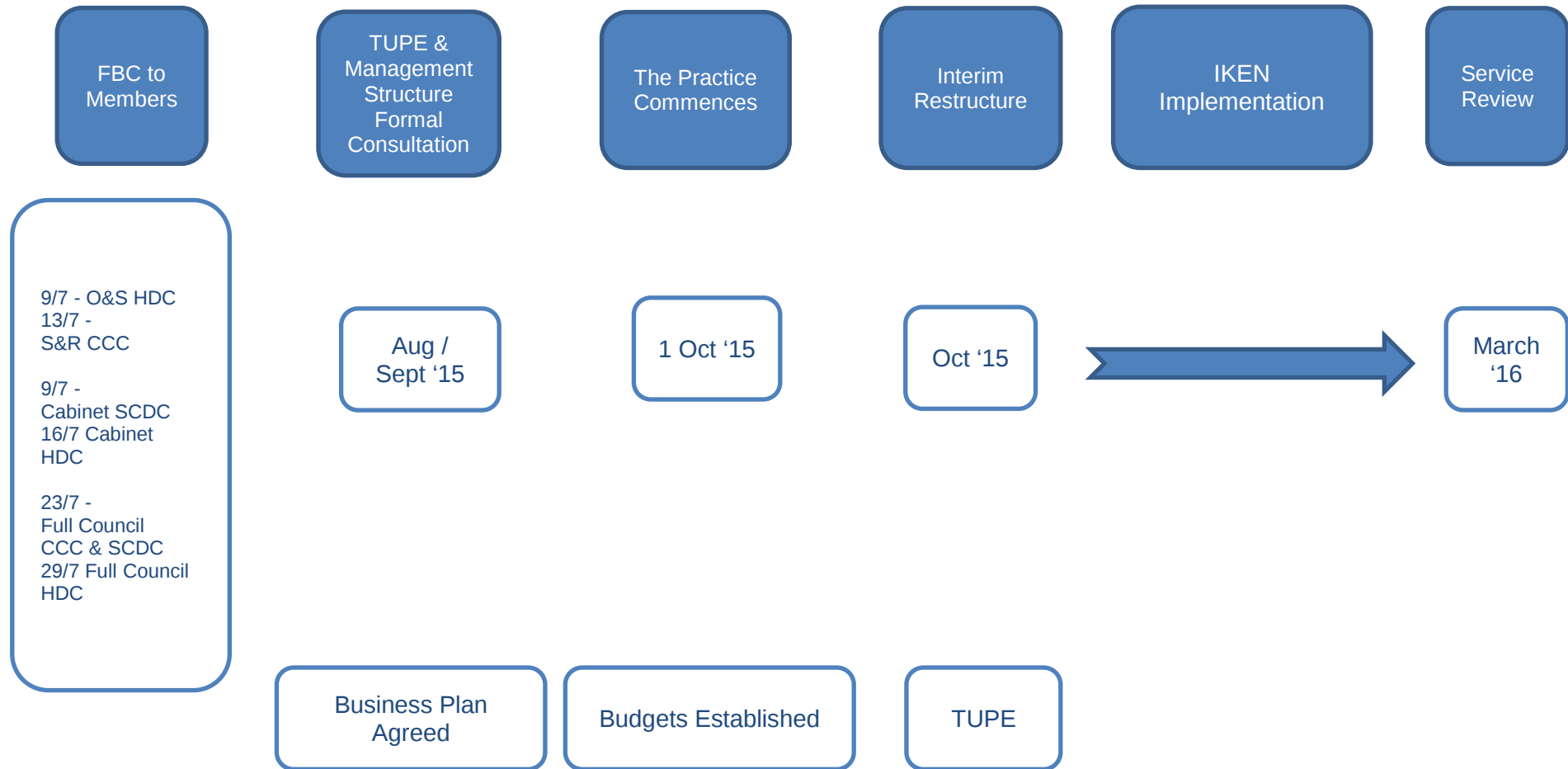
12.2 Formal consultation with staff, Unions and Staff Council at HDC will take place during August in accordance with each Councils policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and new management structure.

- 12.3 The Business Plan will initially be developed in consultation with the clients of the service during August and September and will reflect the contents and principles contained within this business case.
- 12.4 Staff in scope will transfer to CCC under the Transfer of Undertakings (Protection of Employment) legislation ('TUPE') in their existing roles.
- 12.5 The implementation of the new Practice management structure will then be undertaken. Following implementation of the new service in October 2015, a detailed and comprehensive staffing review will be undertaken within the first year, based on an assessment of the needs of the new service, and a new structure implemented.
- 12.6 It will be necessary to implement a move to a joint time recording and case management system (in the short term this will mean extending the use of IKEN and of SharePoint - see 4.1) as part of the initial implementation. Other necessary ICT infrastructure will need to be in place to enable the Practice to operate – for example:
- remote working from home
 - remote working from hubs and other locations (e.g. courts, client locations, etc)
 - combined electronic library and research systems
 - client access to relevant file information and so on.

This will be closely tied in with the proposed ICT shared services and will be funded by the TCA monies.

Timeline for Implementation

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Confidential
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: ICT Shared Services Business Case

Meeting/Date: Overview & Scrutiny (Economic Well-being) Panel,
9 July 2015
Cabinet, 16 July 2015

Executive Portfolio: Cllr Tysoe, Executive Councillor for Customer Services

Report by: Julie Slatter, Corporate Director (Services)

Ward(s) affected: All

Executive Summary:

- 1) Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) have agreed to work in partnership to deliver a range of shared services and have agreed principles to underpin this approach.
- 2) This report provides the business case to establish an ICT shared service between the councils and details the activities to create the ICT shared service.

Recommendation(s):

To approve the business case and delegate the authority to the Managing Director, in conjunction with the Portfolio Holder for Customer Services, to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the shared service in accordance with the detailed business case.

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1. WHAT IS THIS REPORT ABOUT/PURPOSE?

- 1.1 The report describes why there are strategic and financial benefits to all three partners in creating an ICT shared service for CCC, HDC, and SCDC. It contains the vision and strategy for the ICT shared service and describes the services which would be provided. It also includes the timetable for implementation, including the transfer of staff from CCC and SCDC to HDC.
- 1.2 The report also contains a detailed financial model showing how savings will be achieved against baseline (starting) budget, and the cost benefit apportionment between the three partners, as per the guidance provided by the Partnership Board for Shared Services.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 When this matter was last reported, approval was given to work on the proposal to establish an ICT shared service. An approach was adopted that utilised the services of an interim project manager to work with the services in the development of the business case. This was funded in full by the Transformation Challenge Award (TCA) made by government to the three councils concerned to support their work towards a range of shared service arrangements.
- 2.2 The business case for the establishment of an ICT shared service is attached at Appendix A. The rationale for the establishment of the ICT shared service between CCC, HDC and SCDC is that it will achieve economies of scale whilst reducing duplication between existing ICT teams in the three councils.
- 2.3 It is proposed that HDC will act as the Lead Authority for the ICT shared service; its scope is for the provision, operation and evolution of ICT services for the three councils.
- 2.4 The ICT shared service will be created by the TUPE transfer of staff from CCC and SCDC to HDC; this is proposed to happen on 1 October 2015.
- 2.5 Budgets of £1.34m for staff costs for the remainder of 2015/16 will move from CCC, HDC and SCDC to the ICT shared service on the commencement date. However for reasons of pragmatism, the non-staff budgets will not transfer to the ICT shared service until 1 April 2016. The ICT shared service will have a full year operating budget for 2016/17 of £5.027m combining the operating budgets of each of the three current ICT service operations.
- 2.6 As with all service areas within the three councils, each ICT service delivery team has already been challenged to reduce the costs of delivery. Savings have accordingly already been taken from each council from their 2015/16 budgets (the last year when each council approved its own ICT service budget if this business case is approved). Savings of £0.887m have been targeted for 2016/17; the equivalent of a reduction of 15% of the budget.
- 2.7 Setup costs of £80k have been identified; these will be covered by the TCA award and are not at additional cost to the participating councils.
- 2.8 The overview report accompanying this agenda item on shared services details the general principles used to underpin the establishment of shared services between the three councils.

3. OPTIONS CONSIDERED/ANALYSIS

- 3.1 For some time, all three partner organisations have been considering a range of options, including insourcing/outsourcing of their ICT services and the establishment of a shared service. More recently, CCC, HDC and SCDC have reached a broad agreement to establish a range of shared services, ICT being one of these. The close geographic proximity of these three organisations combined with the high affinity in type of service provided has led to the conclusion that an ICT shared service has merit. The financial model bears this out.

4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?

- 4.1 Section 11 of the business case describes the key risks and associated mitigation actions. The financial modelling undertaken during the production of this business case provides significant mitigation to the risks around lack of clarity as to how savings will be identified, tracked and apportioned back to the partners.

The other key risk area is that of staff transfers from CCC and SCDC to HDC. The detailed timeline and implementation plan for TUPE consultation and staff transition has been developed in order to mitigate this risk and maximise the possibility of smooth transition to establishment of an ICT shared service.

5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 5.1 This business case is being presented during July 2015 for approval by all three partner councils. In parallel, the work required to prepare for going live on 1 October 2015 shall also proceed, including the identification of “Quick Win” projects which can help realise early benefits from the ICT shared service.

6. LINK TO THE CORPORATE PLAN

- 6.1 This business case is fully aligned with the strategic goal of ensuring services are provided in the most pragmatic, cost-effective manner. The economies of scale presented by an ICT shared service will provide lower unit costs of service provision through economies of scale and increased buying power.

7. CONSULTATION

- 7.1 Formal TUPE consultations with Staff and Staff Council are scheduled to commence shortly, in the event of the business case being approved. It would be premature, and indeed inappropriate, to commence consultation until such a decision is reached. The consultation will relate to TUPE arrangements and service restructures.

8. LEGAL IMPLICATIONS

- 8.1 Transition of staff from CCC and SCDC to HDC will be fully compliant with TUPE legislation.

9. RESOURCE IMPLICATIONS

9. 1 Staff will transfer from CCC and SCDC to HDC when the ICT shared service is established, currently planned to be 1 October 2015.

10. OTHER IMPLICATIONS

- 10.1 Implementation of an ICT shared service is expected to yield significant benefits in the extent to which ICT can play a key role in shaping future “digital first” service provision. A single larger ICT organisation should also yield more attractive career opportunities for staff compared to three smaller ICT services. It therefore ought to be easier to attract and retain highly talented individuals, offering them a more varied range of career options.

11. REASONS FOR THE RECOMMENDED DECISIONS

- 11.1 There are strategic, commercial and environmental reasons why the recommendation is to create an ICT shared service.

12. LIST OF APPENDICES INCLUDED

Appendix A – Business Case

BACKGROUND PAPERS

November 2014 Cabinet papers.

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Business Case and Proposal for the formation of a Single ICT Service for Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

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1.0 Executive Overview

- 1.0 Cambridge City Council ('CCC'), Huntingdonshire District Council ('HDC') and South Cambridgeshire District Council ('SCDC') have agreed the principle of working in partnership to deliver a range of shared services. It is proposed that this takes place on a phased basis, introducing new Shared Services as and when agreed by the three Councils. A successful bid was made to the Transformation Challenge Award (TCA) fund, to take forward these proposals and deliver savings. Included in phase 1 of the shared service programme are ICT services.

The councils wish to use Information Technology (IT) as a means to transform their authorities. Currently there is a mixture of in house (2) and external (1) ICT service models and the Councils have been working on the development of a new operational model, a shared service. The Councils wish to create a shared IT Service by 1 October 2015 and wish to save 15% from the current total operating budget of approximately £5.798 million. The Councils have agreed to move forward with the creation of a joint ICT service, this report sets out the high level plan and the approach to creating the shared IT service.

Although there are some differences in how each of the three Council's ICT teams operates, they are facing similar challenges for the future - namely, how to manage with fewer resources, yet provide the high quality ICT support and development that Councils rely upon. Each Council also recognises the need for a change of culture in the commissioning and delivery of ICT services, particularly as regards the need to develop modern practices, processes and systems and to put in place the IT systems, that enable a more cost effective, flexible and customer focussed approach to service delivery.

The objectives for the shared service can be summarised, in general order of priority as:

- Create a shared IT Applications Systems and technical infrastructure to facilitate wider shared service delivery for all Council Services
- Reduce overall IT costs
- Provide a service that can proactively engage with users and has the "critical mass" to develop innovative and novel solutions to support the Councils in delivering services more efficiently
- Provide increased resilience and capacity to enable the consistent and reliable service delivery required for digital service delivery to the public.

To deliver this it is proposed to form a single service, operating from a central head office and two hub offices. HDC will be the Lead Authority

The operating budget of the new shared service will be £5.027 million for 2016/17. As with all service areas within the three Councils, each ICT team has already been challenged to reduce the costs of delivery; savings have accordingly already been taken by each Council from their 15/16 budgets (the last year when each Council will approve its own ICT service if this Business

Case is accepted). These savings are therefore reflected in the starting budget for the new service. It is proposed that the service should be delivered by Huntingdonshire District Council on behalf of the three participating Councils.

The proposal carries some initial investment and it is proposed that this will be funded from the Transformation Challenge Award (TCA) and vacant posts. Interim management arrangements will be put in place prior to the appointment of the Head of the ICT Shared Service. This cost is estimated at £80k. There are also costs associated with implementing flexible working across the three Council and options and costings for this are currently in development.

A service-wide restructuring is proposed and will be subject to consultation alongside the TUPE consultation. It is proposed that the full costs of any redundancies at Head of Service level should be paid for by the originating authority. Any redundancies that may arise as part of that restructuring at officer level should be borne by the three partner authorities in proportion to their contribution in that year to the ICT Shared Service budget. Similarly the potential for pay protection exists and it is proposed that this will be dealt with in the same manner as any redundancy cost.

- 1.1 The proposal offers a sustainable opportunity to stabilize and improve the ICT Service partner Authorities already enjoy. The proposal sets out clear, specific and realistic measures by which participating authorities may achieve significant, recurring and long term efficiency gains. It also tackles the issue of lack of capacity in certain areas (for all three Councils) by creating a critical mass of capacity. Coupling this with management arrangements that will enable resources to be deployed effectively and efficiently with the adoption of better practices and processes. Another advantage of the proposal is that it will begin to address the issue of recruitment and retention in local authority ICT services by creating an organisation that offers greater opportunities for career progression. Key factors supporting the case for a shared service can be summarised as follows:

- The Councils current ICT Services broadly offer the same scope of services to their customers
- The Councils face the same financial pressures, although to different degrees, with the continuing reduction of central government grants.
- The Councils ICT have similar contracts with the same or different suppliers. Joining these up would produce savings
- The Councils agree that the Cambridge PSN Network is an enabler to provide better and more economic ICT services to their customers
- The Councils ICT have significant areas of commonality in the Line of Business Applications Systems they use e.g. Planning Services systems, where joining up would make efficiency gains.
- The geographic distance between the Councils is generally small allowing for relative easy access for a Shared Service IT Support organisation.
- There is a general consensus that closer working is the future for Council services
- That an ICT Shared Service is a key enabler to wider shared service opportunities

- That ICT in general needs to be kept up to date and modern, to provide the types of services that the public demand
- That the Central Government message of Digital First and Cloud where possible are the future delivery mechanisms for ICT in Councils
- That providing mutual disaster recovery facilities and business continuity methods would benefit all three councils

1.2 The new, more innovation-focussed characteristics of the service will demand a high standard of leadership. The proposal therefore underlines the need to ensure that the senior management team possesses the right range of managerial, innovation and change management skills necessary to deliver the new service. It also acknowledges the need for the creation of the new post of Head of the ICT Shared Service.

2.0 The Existing Provision of ICT Services

2.1 The three Councils serve a population of 446,300 people (SCDC – 151,400, CCC – 123,900, HDC - 171,000) delivering the same range of public services, Council Tax, Housing Benefits, Waste, Planning, Environmental Health, as well as discreet Leisure and parking service. The three Councils all operate separate ICT services, serving the public service offerings from the Council. With the Government demand for Digital first, the pace of technology change, and the rising uptake by the public of accessing public services over the Internet, demand on ICT can only continue to grow in the future. This represents a huge challenge for the individual IT Services while at the same time offering an opportunity for efficiency and improvement of IT provision for front line services. Individually it is recognised that the IT Services will find it difficult to meet those demands.

2.2 The ICT services currently provide services to:

- 2000 ICT users across the 3 councils
- HDC ICT serve 650 Users across 18 sites
- SCDC ICT serve 350 Users across 2 sites
- CCC ICT serve 1000 Users across 40 sites (6 core sites)

2.3 The current total operating budget for the three services is £5.798 million

- SCDC ICT BUDGET £1,349,480
- HDC ICT BUDGET £2,071,896
- CCC ICT BUDGET £2,377,538

Whereas the ICT services for HDC and SCDC are currently insourced, CCC operates a mixed economy whereby many of the core ICT services (application support, helpdesk) are outsourced to Northgate. For CCC, the non-Northgate provided services are assumed to be within the scope of the ICT Shared Service from day 1, as are the staff costs for the onwards management of that contract. Budget for operation of that contract will remain with CCC.

Additionally, some ICT costs included within other sections of the Council budgets will also be transferred to the ICT Shared Service to centrally manage. These details are still being finalised.

2.4 Staffing costs

Full staffing costs are shown in Section 9, below.

3.0 The Shared Vision and Options - The Brief

3.1 The three Councils have previously agreed some general principles:

Shared Service Models

The lead authority model would best suit our circumstances. Under this model, one authority would be responsible for the Shared Service, including staff TUPEd on their substantive terms and conditions from the remaining two authorities. However, shared member and officer governance arrangements would be put in place to oversee performance. The lead authority model is the starting point for considering shared services; other models may be explored over time once a shared service has been created.

Lead and host authority arrangements

It has been agreed that authorities should equitably share between them the lead authority roles for specific services. Location (i.e. host authority) will not necessarily follow the lead authority, but will be an operational decision made on a service by service basis as part of each business case. It is proposed that HDC should lead on the ICT Shared Service.

Cost sharing/efficiencies

There are a number of cost-sharing models in operation elsewhere. It has been agreed that in the first instance we should adopt a simple and transparent approach that does not create a significant amount of work that is disproportional to potential outcomes. The existing 15/16 budget provision from the budget of each ICT service, will be incorporated to form the Shared Service budget. This is net of the identified savings within those budgets which will be achieved by the Councils concerned prior to the transfer of the budgets to the legal shared service.

Once the Shared Service is in operation and has gathered some baseline data, it will develop an approach by which each Council can determine the performance required and target potential efficiencies. Any surplus would then be distributed back to the Councils in proportion to the proportion of the cost borne by each partner.

Scope

Although it is recognised that different ICT teams take on a variety of functions across each Council, the scope of the ICT shared service has been agreed by the partner Councils and is described in this business case.

This will create some disaggregation issues for participating Councils as there are staff out of scope currently within ICT services and staff within scope who currently manage staff not within the ICT team –these issues will be managed within the respective Councils.

Staff in scope will transfer to HDC under the Transfer of Undertakings (Protection of Employment) legislation ('TUPE'). On implementation of the new service in October 2015, staff will move into a new structure this will be subject to consultation alongside the TUPE consultation.

The job description for the Head of the ICT Shared Service has yet to be evaluated but, dependant on the outcome of such evaluation, existing staff may be ring-fenced for consideration for the role.

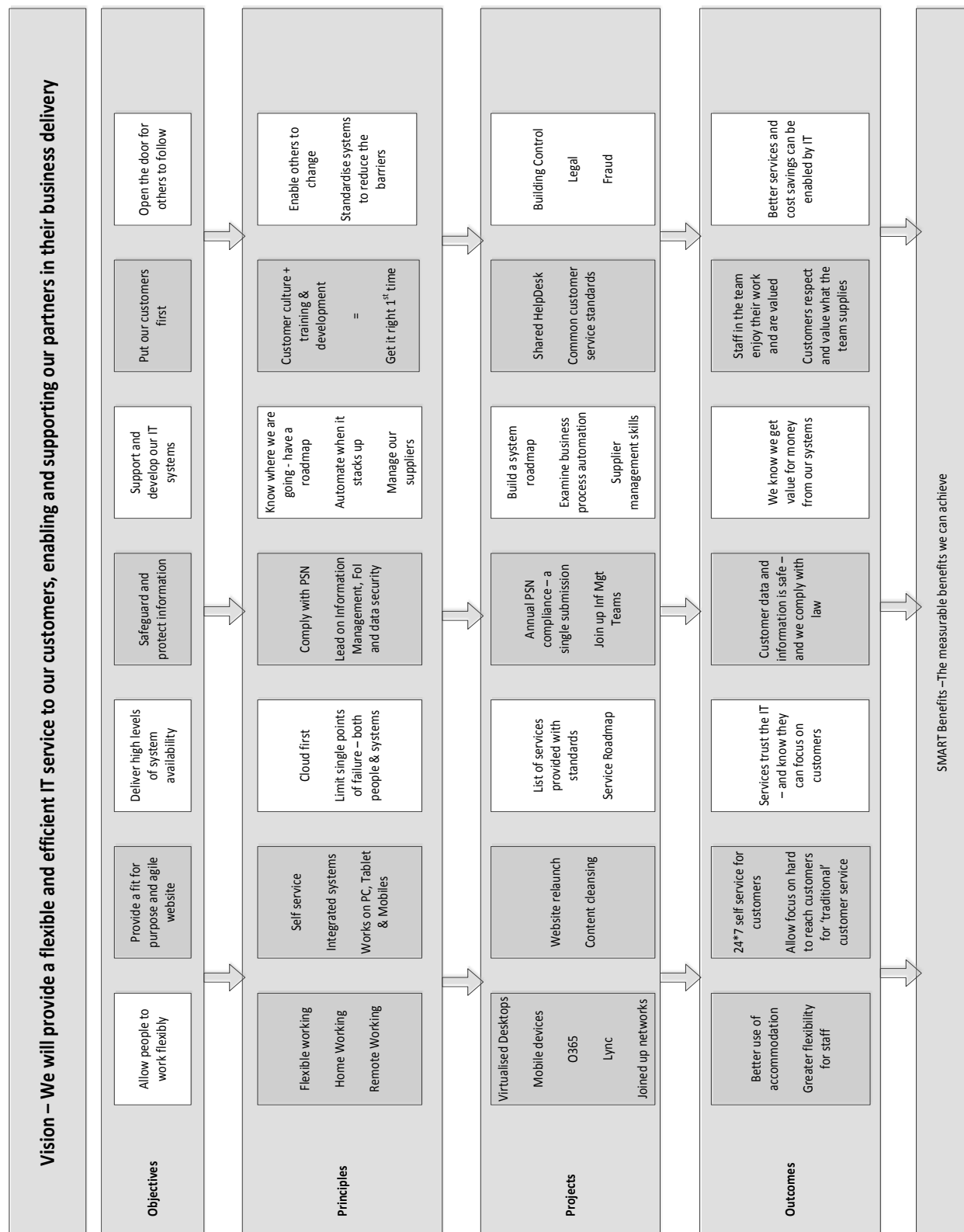
3.2 The following assumptions and pre-requisites have been applied:

- That, subject to consultation with the affected staff, the Unions, Staff Council and the democratic processes of each council, the ICT Shared Service would be implemented with effect from the date that staff TUPEd in to it, currently estimated to be 1 October 2015. Staff within the CCC and SCDC ICT teams would TUPE transfer across to the lead authority, HDC. They would continue to be employed under their previous pay and terms and conditions.
- The business case is based upon the need to increase resilience, improve the quality of service to clients, become more efficient and increase capacity within the service to drive innovation and technology enabled change across all three Councils.
- Interim support will be appointed, subject to this Business Case being approved, for a period up until the recruitment of the Head of ICT Shared Service, to manage the Shared Service creation and begin the implementation of flexible working technologies and joint working where quick wins have been identified. This person is recommended to be someone with experience of transforming/merging services and with strong project management skills.
- Following the merger, there will be on-going review of the Service. This will include analysing the current skills, expertise and development needs, matching them to ICT needs now and those expected going forward. There will be a review of the systems and processes to ensure that they support a modern and efficient way of working.
- Alongside the other proposed shared services, there will be an agreed 'intelligent client' approach to manage the interface between those providing and those commissioning services.
- The desktop technology used today varies significantly between Councils (e.g. Thin Client / Virtual Desktop vs. Laptops). Similarly, much of the equipment is quite new, with significant usable asset life remaining.

Therefore, rather than forcing a “one size fits all” mentality, in some areas it is realistic to expect some parallel solutions in the short term (e.g. Flexible Working), with convergence in the medium and long term.

The diagram below provides a graphical portrayal of the Vision for the ICT Shared Service:

Vision for the ICT Shared Service



4.0 What we aim to achieve - Opportunities for an improved service

4.1 The expected outcomes from the shared service include:

- Drive to standardisation, consequently reducing costs and increasing value for money.
- Improving resilience – better able to prevent service loss or interruption and cope with peaks in workload and staff absences. A larger team will also give each council access to a greater breadth and depth of professional expertise.
- Reduced external expenditure – additional resources and a broader skills base will lead to a reduction in the need for external advice. Where this is required, the combined purchasing power of all three councils should lead to more competitive procurement rates.
- Improved customer service – access to a more comprehensive ICT service should result in a better and a more responsive service to officers and members.
- Decreased fixed costs – sharing or joining up ICT services across the three Councils should lead to savings in management, hardware, software, services, administrative support and accommodation costs.
- Alignment of costs with usage – with ICT as a utility the Councils will pay for only that which they use but also have the flexibility to support others or adopt new local business activity.
- Remodelling of ICT services – bringing together the ICT services of three councils gives the opportunity to look at models of operation that are not suitable or feasible for those councils at an individual level.
- Staff development – a larger service will increase the opportunity for staff development, by allowing staff to work across a broader range of areas, or to become more specialised as appropriate.
- Staff recruitment/retention – greater work opportunities should improve staff retention and help to reduce turnover. A larger shared service could provide increased opportunity to consider participating in a higher apprentice training scheme (growing our own).
- Improved support for ICT users to ensure that the technical strategy aligns with and enables client council objectives, such as introducing “digital first” services.

4.2 Improved Key Performance Indicators

Setting some key performance indicators across the team will assist in driving forward some performance standards to be agreed between the partner Councils – which could include, for example:

- % efficiency saving to be delivered by the Service each year
- Customer satisfaction survey levels not to drop below 90%

Key performance indicators for the shared ICT service will form part of the commissioning agreement.

KPI performance would be managed by the Management Team of the Service and reported to each meeting of the ICT Management Board as well as reported formally back to members through the Joint Committee (and more frequently on an exceptions basis). The ICT Shared Service will also be reporting quarterly to the Shared Services Programme Board and the Joint Committee.

5.0 The Delivery Vehicle for the New Service

- 5.1 It is not proposed at this stage to set up a completely new legal entity for the proposed service. To avoid any unnecessary regulatory burden, in the first instance it is proposed that all staff would be employed by the lead authority, Huntingdonshire District Council. This will require staff in scope from CCC and SCDC to transfer (under the provisions of TUPE) to HDC. The proposed timeline for this process is set out in Appendix 1.

The proposal is to initially organise the Service around a head office in Huntingdon with onsite support through hub offices in Cambridge and Cambourne. This will be reviewed within the first six months of operation.

To deliver an effective and efficient ICT service for its clients, the new shared service will require:

- Sufficient office accommodation
- Appropriate IT systems
- Sufficient suitable qualified staff to undertake the full range of ICT support work necessary – to be ascertained through the proposed structure review referred to above.

One decision which will need to be made by the partners as early as possible is the name by which the new service is to be known – it is extremely important for the new service to have a separate identity from its participating Councils in order for all staff to feel they are ‘pulling together’ for a single entity. This is currently being addressed by the Shared Services programme.

6.0 Managing and Commissioning the Shared Service

6.1 How the Service will be managed

It is proposed that the service be managed by a Head of ICT Shared Service, specifically chosen for entrepreneurial and leadership skills as well as management capability and ICT expertise.

6.2 How the Service will be commissioned

Client departments will have a major role, along with the shared service, in decisions on whether, when and how ICT work should be commissioned. It will be important for those instructing the new service to have a ‘go-to person’ to whom work is referred – able to make decisions on to whom it should be allocated and ensure it is carried out within the client’s requirements and

timeframe. For large areas of new work, whether planned or unplanned, or for unexpected major issues (such as major system failures etc), this 'go-to person' would be the Head of the shared service who can make any necessary resourcing decisions. It will also be essential for there to be an agreed programme of priority projects to be agreed which will support delivery of the technology road map and systems integration that is fundamental to driving out savings and efficiencies in the new service.

6.3 How the Services are defined

There is a Service Catalogue which describes the range of services which will be available to users. These service descriptions include details of service availability, support availability and business priority.

The Management Team will have responsibility for ensuring proper on-going monitoring arrangements for work progress and proper client care through the agreement and reporting of appropriate 'key performance indicators' with each participating council.

7.0 Governance and Decision-Making Processes

7.1 This is described within the over-arching Shared Services paper. The ICT Shared Service will adhere to the common principles and framework which has been agreed by the three Partners.

In addition, the following has also been proposed for ICT Shared Service:

- The Head of ICT Shared Service be line managed by the Corporate Director - Services at HDC.
- The service will have an internal management team which will be confirmed as the structure is developed, with input from others as required.
- An ICT Management Board (senior officer level) will make decisions on, for example, commissioning matters, budgets, surplus profit share, fee levels and so on, and to monitor performance. This Board will set the direction for the partnership and will be made up of the Head of ICT Shared Service and one senior officer representative from each of the participating authorities. Also on the Board, in the capacity of 'critical friend' will be an external local authority ICT expert (agreed by the partner authorities) to ensure that external challenge is brought to the service in order to maintain best practice and innovation.
- The service will produce an annual Business Plan which will be available for consideration through the overview and scrutiny arrangements in each participating authority.

8.0 Key Challenges for the current ICT services

8.1 The key challenges for the current ICT services include:

- **Making savings:** ICT needs to make savings to contribute to the Council's efficiencies savings.
- **ICT Modernisation:** ICT services must continue to modernise throughout the plan period – investing for the future.
- **Recruitment:** Due to location in the country, recruiting skilled ICT staff is difficult. The local Research & Development business sector provides significant competition in the challenge to attract and retain highly skilled staff.

9.0 Sharing Costs and Financial Benefits

9.1 Details of combined expenditure for all three Council's ICT teams are as follows:

Financial Summary

Budget category	Year 0 2015/16 (*)	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Capital	£-	£-	£-	£-	£-	£-
Staff costs	£1,343,662	£2,741,070	£2,795,891	£2,851,809	£2,908,845	£2,967,022
Other costs	£-	£3,173,823	£3,237,299	£3,302,045	£3,368,086	£3,435,448
Charges	£-	£-	£-	£-	£-	£-
Total Costs (net of CCC/Northgate contract)	£1,343,662	£5,914,893	£6,033,191	£6,153,854	£6,276,931	£6,402,470
less savings @ 15% from year 1 onwards	£-	£887,234	£904,979	£923,078	£941,540	£960,371
Net Costs with 15% savings applied	£1,343,662	£5,027,659	£5,128,212	£5,230,776	£5,335,392	£5,442,100
CCC / Northgate Contract costs (**)	£339,340	£678,680	£678,680	£678,680	£678,680	£678,680
Grand Totals	£1,683,002	£5,706,339	£5,806,892	£5,909,456	£6,014,072	£6,120,780

(*) Year 0 figures are for the six month period from October 2015 to Mar 2016. Year 0 figures assume savings already taken from Partners prior to baseline budget setting

(**) Table shows total ICT costs, including those within the current CCC/Northgate contract. No forecast savings are shown on CCC/Northgate as this is fixed price contract

Proposed Apportionment of Partner Contributions

Apportionment of Costs	Year 0 2015/16	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Cambridge City Council	32.7%	41.0%	41.0%	41.0%	41.0%	41.0%
Huntingdonshire District Council	38.4%	35.7%	35.7%	35.7%	35.7%	35.7%
South Cambridgeshire DC	28.9%	23.3%	23.3%	23.3%	23.3%	23.3%
Grand Totals	100%	100%	100%	100%	100%	100%

Cost of ICT Shared Service by Partner***

ICT Shared Service costs per partner	Year 0** 2015/16	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Cambridge City Council (incl. CCC/Northgate)	£778,960	£2,740,006	£2,781,232	£2,823,283	£2,866,175	£2,909,925
Huntingdonshire District Council	£515,697	£1,796,334	£1,832,261	£1,868,906	£1,906,284	£1,944,410
South Cambridgeshire DC	£388,345	£1,169,999	£1,193,399	£1,217,267	£1,241,612	£1,266,445
Grand Totals	£1,683,002	£5,706,339	£5,806,892	£5,909,456	£6,014,072	£6,120,780

(***) Note: in Year 0, only staff costs are shown (with the exception of the Cambridge City Council Northgate cost which are included), because non-staff costs will continue to be managed by the Councils for the remainder of the financial year. Non-staff costs will be managed by the ICT Shared Service from the beginning of 2016/17

Savings from ICT Shared Service by Partner

ICT Shared Service savings per partner	Year 0 2015/16	Year 1 2016/17	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20	Year 5 2020/21
Total Savings in Yr vs. 15/16 baseline	£-	£887,234	£904,979	£923,078	£941,540	£960,371
Cambridge City Council	£-	£363,763	£371,039	£378,459	£386,029	£393,749
Huntingdonshire District Council	£-	£317,000	£323,340	£329,807	£336,403	£343,131
South Cambridgeshire DC	£-	£206,470	£210,600	£214,812	£219,108	£223,490
Grand Totals	£-	£887,234	£904,979	£923,078	£941,540	£960,371
Cumulative Total Saving	£-	£887,234	£1,792,212	£2,715,291	£3,656,830	£4,617,201

- 9.2 Funding of the Service is proposed for the first two years of operation to be provided by each Council putting in its already budgeted amount for ICT spend for 2015/16. The savings figures for ICT Services already agreed by each Council for year 2015/16 have already been removed from the budget figures.
- 9.3 There will be proportionate cost sharing & savings throughout the life of the ICT Shared Service.
- 9.4 There will also be a similar proportionate cost sharing arrangement for set-up costs of the new service, net of any TCA contribution.
- 9.5 Our financial model is projecting year 1 savings across the ICT Shared Service amounting to £0.887 million in total relative to the 2015/16 baseline. This figure will be reviewed after the proposed new staffing structure is developed and once the technology roadmap has been completed.

10.0 Business Case

10.1 **ICT Service alone** - By combining the three ICT services into a single unit providing ICT services to the three councils there is opportunity for cost savings and service efficiencies.

- Combining current contracts for the same type of service - e.g.
 - Support contracts for planning system etc.
 - Support contract for email and security etc.
- Opportunity to reduce disaster recovery costs through mutual assurance
- Reducing head count in the delivery of the Service
- Reduced licence counts for software e.g. VMWare licences, MS SQL,
- De-duplication of ICT administrative processes - such as purchase order process, contract reporting
- Combined procurement values will be higher, so may be able to gain reduced pricing for bulk buying.

10.2 **Project “Rolling Business Case”** - Each project that will look to produce savings from the shared ICT Service will have its own detailed business case. For example any decision to converge on a single system or platform such as a planning system, security system or finance system will be fully costed on its own merits. By using this process, projects as a result of the shared service must show benefit to the three Councils. For each project the costs and benefits will be clarified and apportioned in line with the agreed cost and profit sharing model. Following completion of each project the costs of operation of the service will be adjusted taking into account the allocation of costs and benefits.

10.3 **ICT as an Enabling Service** - By combining the three ICT services into a single unit the receiving services will benefit enormously through improved customer service. The knock on effect of this can result in a real improvement in their service delivery.

- Improved customer service – access to a more comprehensive ICT service should result in a better and a more responsive service to officers and members.
 - The receiving service in turn will be able to provide a better more efficient service to their customers if they are receiving a faster response to incidents and requests from ICT
 - With ICT having greater access to skills and resources, changes the services require in ICT, to improve their service, will be delivered more efficiently and effectively.
- Improvement in ICT service delivery will mean ICT are spending less time in “break / fix” mode and far more in customer facing project delivery, and transformation change mode. With services having their IT related projects delivered better, their service in turn will also improve.
- In the 21st century ICT underpins the delivery of council services. With a shared ICT service, the door to greater shared services across the partners is much wider.

10.4 **Benefits/Outcomes**

- An ICT service that has the capability and capacity to meet the future demands of the Councils
- Greater efficiency and reduced duplication in ICT Services
- Better access to and sharing of information for performance management and benchmarking
- Increased customer self-service for straightforward interactions
- Continuity and resilience of service
- Raising quality and adding value to existing services
- Securing cost savings and sustainable efficiencies
- Releasing staff time for more customer facing activities
- Improving system scalability
- Ensuring improved and more up-to-date systems
- Ability to offer otherwise unsustainable services
- Levering transformation

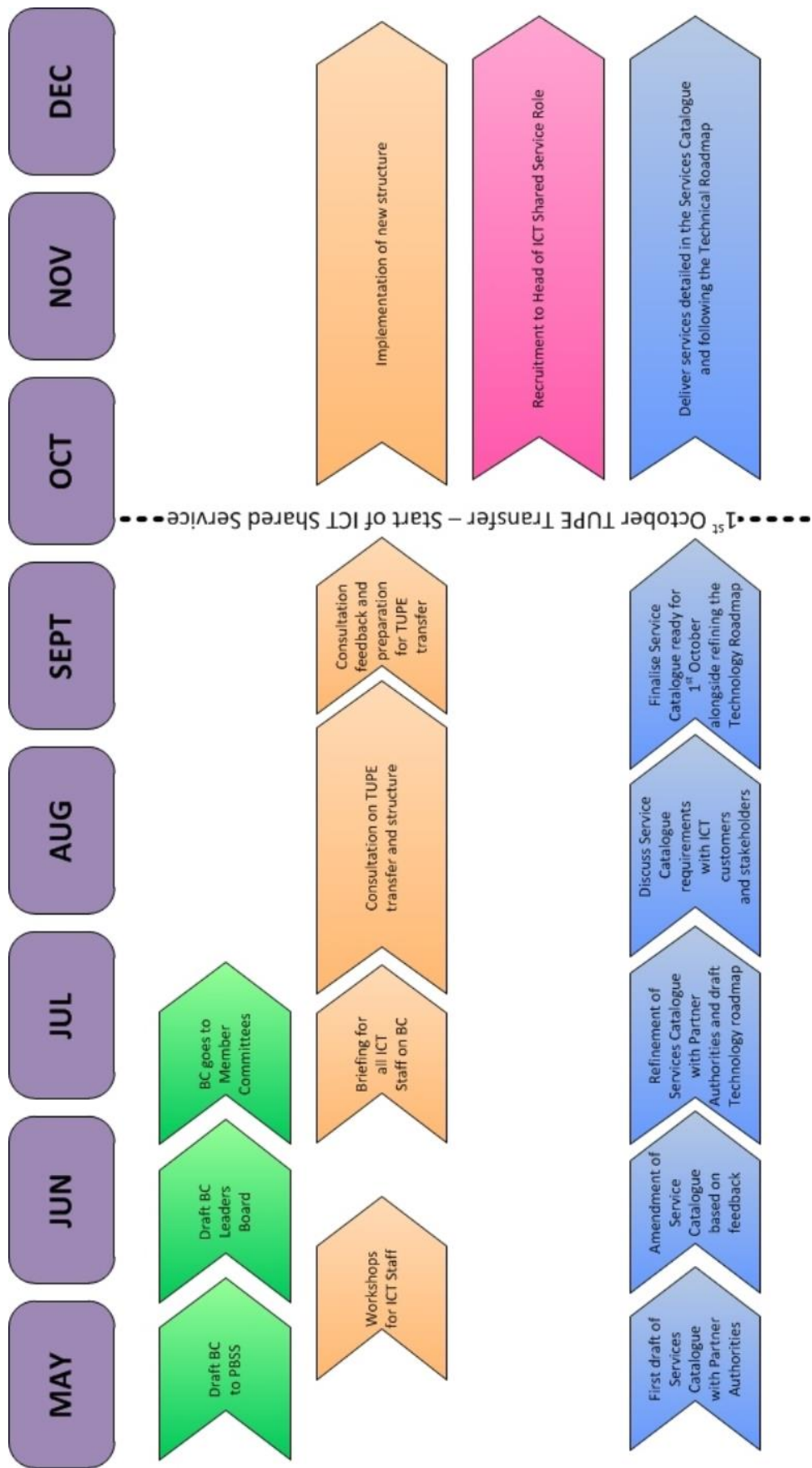
11.0 Analysis of Key Risks and issues for transition to the Shared Service

- 11.1 It is believed that the risks arising out of this proposal are not high and are easily outweighed by the benefits. However, a detailed risk register will be developed as part of the creation of the new service, to cover the risks already identified and any others arising.

12.0 Implementation

See Appendix 1 for high level implementation timeline.

Appendix 1 - Timeline for Implementation



CURRENT ACTIVITIES

STUDY	OBJECTIVES	PANEL	STATUS
Delivery of Advisory Services Across the District	To monitor the performance of the voluntary organisations awarded grant aid by the Council in 2013 – 2015. To discuss funding arrangements for the final year of the Voluntary sector agreements.	Social Well-Being	UPDATE: The Head of Community will present an update to the Panel October 2015.
Housing and Council Tax Benefit Changes and the Potential Impact Upon Huntingdonshire	To monitor the effect of Government changes to the Housing Benefit System arising from the Welfare Reform Act.	Social Well-Being	The Panel received the latest six-monthly report on the effect of the Government's Welfare Reform programme and how it impacts on households in Huntingdonshire. Further updates only to be provided when circumstances require it. UPDATE: Benefits Risk Based Verification Policy to be presented to the Panel on 07/07/15
Flood Prevention within the District	To investigate flood prevention arrangements in the District and the impact of flooding on associated local policy developments.	Environmental Well-Being	Representatives from the Environment Agency delivered a presentation on flood risk management within Huntingdonshire. A scoping report was considered by the Panel in April 2014 and a Working Group was appointed. The Chief Executive and Clerk to the Middle Level Commissioners delivered a presentation to the Panel's June 2014 meeting to outline their role with flood alleviation in the District. A meeting of the Working Group was held on 25th March 2015 at which Members considered the draft Cambridgeshire Flooding and Water SPD. UPDATE: Agreed that Working Groups scrutinising the Operations policies at HDC stand down until the Operations Review has been completed and implemented.
Waste Collection Policies	To assist the Head of Operations and Executive Member for Operations &	Environmental Well-Being	First meeting of Working Group held on 24th June 2014. Further meeting to be arranged to consider the outcome of the survey work being undertaken by the Operations

	Environment with reviewing waste collection policies in relation to the collection points for wheeled bins/sacks and remote properties (farms and lodges).		Division on affected properties and various other matters. UPDATE: Agreed that Working Groups scrutinising the Operations policies at HDC stand down until the Operations Review has been completed and implemented.
Litter Policies and Practices (to include graffiti removal)	To consider and make recommendations on future litter and graffiti service scope and standards and on public appetite for changes.	Environmental Well-Being	Scoping report received. Working Group appointed. UPDATE: Agreed that Working Groups scrutinising the Operations policies at HDC stand down until the Operations Review has been completed and implemented.
Affordable Housing	To make recommendations for the next Housing Strategy 2016-19 by considering and making recommendations on ways to deliver affordable housing, including through the rural and enabled exceptions policy of the Local Plan and through the Community Land Trust.	Social Well-Being	A Working Group meeting was held on 16th March 2015. Government changes affecting the supply of new affordable housing and the Elphick-House Report were reviewed. Next meeting to be held to scrutinise: • The housing register • Statistics on homelessness • Housing Need • Bands of people on the register The Working Group is seeking a member from each of the Economic and Environmental Panels to join the Working Group. The next meeting of the Affordable Housing Working Group is to be held on 20th April 2015. Given the imminent submission date of the Local Plan it was agreed that a meeting would be arranged with the Affordable Housing Working Group, the Managing Director, the Executive Councillor (Strategic Planning and Housing) and the Leader in order to progress the matter including the inclusion of recommendations for the Local Plan and to inform any refresh of the housing strategy. UPDATE: Following the meeting of the Affordable Housing Working Group in April 2015, a report on the group's

			activities will be completed and submitted for scrutiny in October 2015.
The Health Economy	To establish priorities for future work on the local health economy.	Social Well-Being	Scoping paper considered. Further reports requested on: • on the current state of Neighbourhood Planning within the Council and how it was likely to develop and how it might promote community resilience; • on community engagement, including examples of good practice; • on the impact of Welfare Reforms, including fuel poverty and how it was defined; • reviewing the Council's Equalities Impact Assessment arrangements, and • on the impact of growth on GP surgeries, school places and hospital capacity.

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Panel Date	Decision	Action	Response	Date for Future Action
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	<u>Scrutiny of Partnerships</u> The Panel has received two presentations on the Local Enterprise Partnership. A presentation on the Local Enterprise Zone was given to the Panel's meeting in November 2011		The Panel has invited the Chairman and the Chief Executive of the Local Enterprise Partnership to a future meeting to give a presentation on their business plan. The Panel will pursue this request with the new Chief Executive on their appointment after the Council's Budget setting process.	03/09/2015
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	<u>Project Management</u> 12/06/14 Reiterated a request for the post project appraisals for the development of the Huntingdon multi-storey car park and One Leisure, St. Ives. 10/07/14 With a view to undertaking a review of the Project Management Arrangements within the Authority, the Panel has been updated on the progress which has been made by the Council's Project Management arrangements within the Authority. 06/11/14 The Panel agreed to establish a Project Management Select Committee in February 2015 to give further consideration to		A project closure report for the Huntingdon Multi-Storey Car Park and One Leisure St.Ives was presented to the Panel's November meeting (2014) Members considered a study template which identifies the	
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Panel Date	Decision	Action	Response	Date for Future Action
	the issue of project management within the Authority. It is envisaged that the Select Committee will report its findings to the full Council in April 2015.		Select Committees terms of reference and other parameters of the investigation. The Panel also received a demonstration of the Council's programme and project management toolkit and an update from the Corporate Office Manager on Project Management. A further informal meeting was held before the Panel's January meeting.	
09/04/15	Select Committee held. Report submitted to the Panel.			
04/06/15	Panel members received a report from the Projects and Programmes Manager Laura Lock on the changes in Project Management within HDC		6 month review (Panel only) 12 month review (Select Committee)	04/02/16
	<u>Investment Strategy</u>			
05/03/15	Panel to hold early discussions on the terms of the strategy prior to its publication as a draft			
09/04/15	Workshop held		The Commercial Investment Strategy will be presented to the Panel	03/09/15

Panel Date	Decision	Action	Response	Date for Future Action
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ACTION LOG
(Requests for information/actions other than those covered within the Progress Report)

Date of Request	Description	Response
04/09/14	Huntingdon West Masterplan to be circulated. Panel Members will also receive an invitation to attend the Overview and Scrutiny Panel (Environmental Well-Being) when this is discussed.	
04/09/14	Councillor M F Shellens requested a copy of the Huntingdonshire Infrastructure Business Plan in due course. Panel members will also receive an invitation to attend the Overview and Scrutiny Panel (Environmental Well-Being) when this is discussed	The Huntingdonshire Infrastructure Business Plan will be presented to the Environmental Well-Being meeting on 13/10/2015 – Economic Well-Being Panel members invited to attend.

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Decision Digest

Edition 156

Monthly summary of the decisions taken at meetings of the Council, Cabinet, Overview & Scrutiny and other Panels for the period 29th April to 24th June 2015.

IMPLEMENTATION OF AUDIT ACTIONS

A report outlining performance in implementing agreed internal audit actions for the year ending 30th April 2015 has been presented to the Corporate Governance Panel.

Thirteen actions have not been introduced of which two were more than six months late and two were more than one year late.

As requested by the Panel, the Heads of Service who have outstanding audit actions attended the meeting to provide explanations as to why the internal audit actions relating to their individual service areas remain outstanding.

Management Team have modified the monitoring of internal audit actions and the Panel will begin to realise a different approach over the next few months.

Arising from concerns regarding the overdue actions and in addition to noting the report, the Panel have recommended to Council that the concerns of the Corporate Governance Panel regarding the number of internal audit actions that are significantly overdue be noted and that the Council recommend to the Cabinet that appropriate action are taken to address these concerns.

AUDIT ACTIONS DATABASE

At the request of the Corporate Governance Panel a report has been presented to provide an explanation

regarding the loss of data within the Audit Action Database following work to migrate the SharePoint based system.

The reasons for the loss of data have been explained and the Panel were assured that improvements have been made to processes to avoid a repeat occurrence in the future.

Some elements of the missing data related to findings arising from following up the implementation of internal audit actions. Whilst this information could be identified from copies of email correspondence it was not an efficient use of officer time to manually search and review this information and as a result this information would not be included in the Internal Audit Annual Report to the Panel.

REVIEW OF FRAUD INVESTIGATION ACTIVITY

An overview of the activity of the Corporate Fraud Team during 2014/2015 has been provided to the Corporate Governance Panel.

During the year the Fraud Team received 1028 allegations of fraud, investigated 345 cases and identified fraud valued at £464k, recovered 7 social housing properties and conducted 29 prosecutions.

The performance of the Corporate Fraud Team has been comparable to that of the previous year despite a number of factors including staff shortages and the transfer of benefit

fraud work to the Department for Work and Pensions.

The Council continued to be involved in two county-wide fraud initiatives - the Cambridgeshire Tenancy Fraud Forum (CTFF) and is also the lead authority following a successful bid for funding to implement the Cambridgeshire Anti-Fraud Network (CAFN) as a successor to the CTFF.

It is anticipated that the CAFN will work to address fraud such as Council Tax Discount and Tenancy fraud.

ANTI-FRAUD AND CORRUPTION STRATEGY REPORT

The Corporate Governance Panel have approved the Council's Anti-Fraud and Corruption Strategy which has been revised to incorporate the recently published Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on managing the risk of fraud and corruption; the accompanying guidance notes published in December 2014; and the changes within the Corporate Fraud Team to focus on issues other than welfare fraud.

The Corporate Fraud Team were currently reviewing their workload post the introduction of the Single Fraud Investigation Service (SFIS) and the reduction in welfare related investigations. At the previous meeting the Panel resolved to disband the Fraud Working Group and that a new Fraud Working Group should feature as an item on the Corporate Governance Panel Progress Report. The Panel have agreed that a Fraud Working Group should not be re-established until the Corporate Fraud Team's Work Programme has been agreed.

RISK REGISTER UPDATE

The Corporate Governance Panel has received and noted a report regarding

amendments that have been made to the Risk Register between 2nd September 2014 and 19th May 2015.

Future Risk Register Update reports to the Panel will differ in format. Detailed information on risk management matters will be presented to the Cabinet, to allow them to fulfil their responsibilities as contained in the Risk Management Strategy.

The Panel were interested to know whether there will be a change to the Risk Management Champion now that Councillor Harrison has been appointed to the Cabinet.

The Panel further noted that as per the Risk Management Strategy a report will be presented to the Cabinet for its consideration on the very high residual risks.

WHISTLEBLOWING POLICY, GUIDANCE AND CONCERNS RECEIVED

Having received the annual report, the Corporate Governance Panel has approved the revised Whistleblowing Policy and Guidance and noted the whistleblowing concerns received during the 2014/2015 financial year.

During the 2014 review the Panel recommended to Council that it become a signatory to the Public Concern at Work (PCaW) 'The First 100 Campaign', which was established to allow organisations to make a public commitment to support the PCaW Whistleblower Code of Practice.

Subsequently a number of changes have been made to both the Policy and Guidance to reflect the PCaW Whistleblower Code of Practice and a recent Employment Appeal Tribunal decision where the first 'in the public interest' definition has been applied.

There were no significant amendments proposed to the Policy and Guidance. However, the Policy now applied to all Council employees and contractors working for the Council on its premises as well as suppliers and those providing services under a contract with the Council in their own premises.

The Chairman has noted that on occasions Councillors are approached by officers with concerns and in order to assist Councillors when dealing with these queries the Whistleblowing Policy and Guidance will be circulated to all Councillors.

A14 CAMBRIDGE TO HUNTINGDON IMPROVEMENT SCHEME

The Cabinet has received a further update on progress with the development of the A14 on matters surrounding the Examination in Public and documentation that the Council will submit to the Examination.

The Council has consistently supported the need for the improvement of the A14 since the Cambridge to Huntingdon Multi-Modal Study recommendations in 2001, as an upgraded A14 is vital to the continued economic prosperity of Huntingdonshire.

The Scheme now proposed continues to include the overall improvements that have been consistently sought, including the removal of the A14 Viaduct within Huntingdon. The Council therefore must continue to engage in the Examination process and in order to do this the Cabinet has approved the Joint Local Impact Report (which has been submitted to the Planning Inspectorate), the draft Statement of Common ground and the Written Representation by the Council to the Planning Inspectorate.

In the interests of expediency the Cabinet has also delegated authority to the Managing Director and the Executive

Councillor for Planning and Housing Strategy regarding any minor amendments required to these documents.

CORPORATE PLAN – PERFORMANCE REPORT

The Cabinet has received a progress report against the Key Activities and Corporate Indicators listed in the Council's Corporate Plan for 2014/2015 for the period 1st January to 31st March 2015.

Progress against the Corporate Plan objectives is reported quarterly. Performance data has been provided in the form of a narrative of achievement accompanied with a Red/Amber/Green status against each Key Action in the Corporate Plan.

Whilst considering the progress made against the Key Activities and Corporate Indicators the Cabinet has made comments on its aspirations for future performance monitoring.

CUSTOMER SERVICE STRATEGY 2015 – 2018

The Customer Service Strategy is a key corporate document which establishes how customer service will be delivered across the Council and it is currently under review.

A summary 'on a page' document of the Customer Service Strategy has been presented to the Cabinet for feedback prior to a final version of the Strategy being presented to Members later in 2015.

DISPOSAL AND ACQUISITIONS POLICY: LAND AND PROPERTY

The Disposal and Acquisition Policy provides a framework through which the Council is able to manage its estate

of land and buildings within a commercial environment.

The former thresholds and procedures within the Constitution were considered too restrictive and to enable a more commercial approach to the management of the Council's property portfolio, a new Disposal and Acquisition Policy and governance arrangements has been approved by the Cabinet. In approving the new Policy the Cabinet also agreed the suggested amendments by the Overview and Scrutiny Panel (Economic Well-Being).

The formation of a Treasury and Capital Management Group (TCMG) has been approved whose functions will be:

- Treasury Management investment decisions (including the acquisition and disposal of all types of assets).
- The Capital Programme and the undertaking of all capital development, including the approval of Business Cases.
- Comment on Treasury Management performance.
- Call officer's to account in respect performance relating to capital projects.

The Cabinet has also recommended to the Corporate Governance Panel that it should approve all required changes to the Constitution (including the Code of Financial Management) to reflect the requirements of the Disposal and Acquisitions Policy.

PROVISIONAL OUTTURN 2014/2015 (REVENUE AND CAPITAL)

The Cabinet has been presented with an analysis of the outturn against the original budget for the financial year ending 31st March 2015 and has:

- i. Noted, in respect of the 2014/15 provisional outturn the:

- revenue net expenditure of £18.171m;
 - reasons for the £2.699m variance on the original service budgets;
 - capital expenditure of £2.999m;
- reasons for the £0.489m variance on the capital programme.
- ii. Approved, in respect of the revenue provisional outturn the transfer to Earmarked reserves of:
 - £0.100m - Alconbury and Molesworth Support and Challenge reserve.
 - £0.261m - Carry forwards to the 2015/16 service revenue budget.
 - £0.443m - Transformation Challenge Award Funding for Shared Service reserve.
 - £0.500m - Chequers Court Development reserve.
 - £2.728m - Commercial Investment Strategy reserve.
 - iii. Approved, in respect of the capital and provisional outturn the carry forward of committed expenditure on capital projects of £0.271m.
 - iv. Approved a delegation for the Head of Resources to adjust the revenue contributions in consultation with the Executive Councillor for Resources and the Managing Director, if the actual outturn varies to that noted by more than 2.5%.

TREASURY MANAGEMENT ANNUAL REPORT 2014/2015

The Council's Treasury Management processes are underpinned by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management. The Code requires the Council to produce an annual Treasury Management Strategy and recommends that Members are informed of treasury management activity at least twice a year. The

Cabinet has been presented with the second of the two reports for comment and the Cabinet has noted the 2014/15 Treasury Management performance.

SERVICE PLAN FOR FOOD LAW ENFORCEMENT 2015-16

The Licensing and Protection Panel has considered the proposed Service Plan for 2015-16 and has recommended that it be presented to Council, for approval in accordance with the Council's Constitution.

The Council's food safety and hygiene enforcement function is undertaken by the Commercial Team and the purpose of the Plan is to explain how that service will be delivered. It also details the resources required to deliver the service and a review of the previous year's performance.

SERVICE PLAN FOR HEALTH AND SAFETY REGULATION 2015-16

The Health and Safety Executive requires every local authority to outline how it will fulfil its duty to make adequate arrangements for the enforcement of the relevant statutory provisions within its area. For this purpose, the Licensing and Protection Panel has approved the contents of the Service Plan for Health and Safety Regulation for 2015/16. The Plan has been developed to comply with the requirements of the National Local Authority Enforcement Code and sets out how the health and safety function within the Council will be delivered, the resources available to deliver the service and the outcome of a review of the previous year's performance.

REPRESENTATIONS ON EXTERNAL ORGANISATIONS

The Licensing and Protection Panel has appointed representatives to serve on the following organisations for the ensuing Municipal Year -

❖ Cambridgeshire Consultative Group for the Fletton Brickworks Industry

❖ Little Barford Power Station Liaison Committee

❖ Needingworth Quarry Local Liaison Committee

❖ Warboys Landfill Local Liaison Committee

LICENSING ACT 2003 – STATEMENT OF LICENSING POLICY

The Licensing Act 2003 requires that for each five year period, the Council must determine its policy on how it will exercise its statutory duties related to its licensing function and publish a statement of that policy.

Having regard to the fact that the Statement of Licensing Policy must be consulted upon prior to it being adopted, the Committee has approved the contents of a draft Statement for this purpose. Consultation will be undertaken over a ten week period from 26 June to 4 September 2015 and a final draft will then be submitted to the Committee in October for endorsement, prior to its adoption by Council.

As there is likely to be a need for further amendments to the draft as a result of feedback from the consultation process or from revised guidance issued by the Home Office, the Head of Community has been authorised to make any amendments that are considered necessary.

GAMBLING ACT 2005 – STATEMENT OF PRINCIPLES

The Council is required to publish a Statement of Principles which outlines how it will exercise its functions under the Gambling Act 2015. The current Statement expires on 31st January 2016 and the Council must have adopted a further Statement in advance of this date. As part of this process, the Council must undertake a period of consultation and take into consideration any comments which are received.

For the purposes of the consultation, the Panel has reviewed and approved a draft Statement of Principles. The consultation will run from 26th June to 4th September 2015 and a final draft will then be submitted to the Committee for endorsement, prior to its consideration and adoption by the Council.

The Committee has authorised the Head of Community to make any amendments to the draft Statement as are considered necessary as a result of the public consultation exercise or arising from any new guidance issued by the Gambling Commission to Licensing Authorities.

OPERATIONS REVIEW

The Overview and Scrutiny Panel (Environmental Well-Being) has received a presentation from the Interim Head of Operations and the Corporate Director for Services.

It has been agreed that task and finish groups for the Environmental Well-Being Panel will be disbanded during the Operations review and restructure in order for the Division to implement changes as identified in the review.

The Panel has agreed to receive regular updates on the Operations review through quarterly updates directly to the Panel. Additional monthly meetings will update the Chairman and Vice Chairman

of the Panel so they can provide appropriate feedback to Members.

RECAP UPDATE

The Overview and Scrutiny Panel (Environmental Well-Being) has received an update on recent activities of the Recycling in Cambridgeshire & Peterborough (RECAP) partnership.

The Panel has agreed to receive updates from RECAP as and when they become available.

CUSTOMER SERVICE MONITORING REPORT

A report updating Members on the work of the Customer Service Team and questioning whether current policies and practices are fit for the future of Customer Services in the Council has been presented to the Overview and Scrutiny Panel (Social Well-Being).

The Panel has agreed that monitoring reports for Customer Services will be received by Members annually. The Head of Customer Services has confirmed that a report on the update of the District Council's website and the proposed relaunch in the Autumn will be presented to the Panel early in 2016.

PROGRAMMES AND PROJECTS, INCLUDING FACING THE FUTURE

The Overview and Scrutiny Panels (Social, Environmental and Economic Well-Being) have received an update report on changes to the way that projects are managed within the Council.

All existing projects have now been categorised by priority and allocated to the appropriate Overview and Scrutiny Panel. The Programme and Projects Team has developed a Pre-Initiation Process Map, which concentrates on

the early stages of projects, detailing the steps taken in order to initiate new projects. A pre-project proposition form must now be completed, reviewed and approved before any financial or other resource requirements can be committed to take new ideas forward.

ECONOMIC GROWTH PLAN REVIEW

The Overview and Scrutiny Panel (Environmental Well-Being) has received a report reviewing Huntingdonshire's Economic Growth Plan 2013-2023.

The Panel has been informed that economic and market indicators are monitored in order to prevent overheating in the demand for housing and that there is a need to attract new employees with relevant skills to the area.

The Panel has raised the issue of affordable housing provision in the county. The Economic Development Manager explained that this topic was not included in the report presented as it is not considered critical to economic growth; this would be dealt with by another department in the Council, although it may be beneficial to 'knit' the two together in future.

WORKFORCE REPORT (QUARTER 4)

The Employment Panel received a quarterly report on Human Resource matters impacting on the performance of the organisation during the period of 1st January to 31st March 2015. The report has included the latest position and trends relating to:-

- ◆ employee numbers;
- ◆ salary costs; and
- ◆ sickness absence reporting

The number of Full Time Equivalent (FTE) posts within the organisation has decreased and this has led to a decrease of £63.5k in the monthly salary cost. As a

result of a request from the Panel the report shows the reasons why employees have left the Council.

In noting that even though the number of sickness days per FTE figure has increased the number of sickness days has reduced by 473 days. This was as a result of a fall in employees, the number of sickness days is divided between fewer employees therefore resulting in an increase in the average.

Finally, the Panel has placed on record its recognition of, and gratitude for the excellent contribution made by Peter Hobbs during his employment in the local government service and has conveyed its best wishes to him for a long and happy retirement.

LGSS MONITORING REPORT

The Employment Panel considered the performance of LGSS Human Resources, Payroll and Organisational Workforce Development services across the key service measures agreed under the current contract during the period 1st January to 31st March 2015. LGSS performance is measured in four areas namely:

- ◆ General Service Standards;
- ◆ HR Strategic and Advisory;
- ◆ Recruitment and Payroll; and
- ◆ Organisational workforce development.

Members have been pleased to note that there are no issues to report in the four measured areas. The template of the report and the key performance indicators have been changed for future reports in order to provide a greater scrutiny of the LGSS contract. In addition an audit of the e-recruitment system has taken place in this quarter and has resulted in LGSS being asked to provide further analysis and targeted training for District Council managers.

EMPLOYEE OPINION SURVEY PROGRESS REPORT

The Employment Panel has been updated on the actions as a result of the Employee Opinion Survey with another survey being undertaken this summer. The appraisal process has been overhauled and 360 degree feedback forms have been introduced. The Code of Conduct was launched last Autumn and the Employee Handbook will be introduced shortly. The intention is to continue with the 'Meet SMT sessions' which are sessions where staff can attend to receive news from the Senior Management Team.

SAFEGUARDING POLICY

The Employment Panel has reviewed and approved the updated Safeguarding Policy. The Council have a statutory obligation under Section 11 of the Children Act 2004 to ensure its functions, and any services that are contracted out to others, are discharged having regard to the need to safeguard and promote the welfare of children.

LEAVE POLICIES

The following leave policies have been presented to the Employment Panel for comment and Members have been updated on progress as follows:

- ◆ **Adoption Leave Policy**
This is a new policy introduced to demonstrate the District Council comply with the Statutory provisions around adoption leave.
- ◆ **Shared Parental Leave Policy**
This is a new policy which has been introduced as a result to a change in legislation.
- ◆ **Flexible Working Policy**
The policy has been revised and is an amalgamation of 11 different documents. Two

amendments have been proposed including allowing employees to accrue more than 14.8 hours during a month so long as they don't carry forward more than 14.8 hours from one 4 week accounting period to the next. The second amendment is that time off in lieu (TOIL) can only be agreed by a member of SMT.

- ◆ **Leave Arrangements Policy**
The policy is in existence however there is an update to the unpaid leave section.

SENIOR OFFICER DISCIPLINARY PROCEDURES

The Senior Officer Disciplinary Procedures has been brought before the Employment Panel in response to a statutory change. The report will be presented to Council on 29th July 2015.

DEVELOPMENT MANAGEMENT PANEL DECISIONS

In the course of two meetings in May and June the Development Management Panel has determined 12 planning applications. Ten of the applications have been approved and two refused. Of those that have been approved, one is supplemental to the redevelopment of RAF Brampton and relates to revised obligations as a result of the application of the new Vacant Building Credit policy. In line with a submission made by the applicant, an affordable housing contribution will not be secured.

Councillor Dew, in his capacity as Executive Councillor, will make representations to the Government and to local Members of Parliament on the implications of the Vacant Building Credit policy. The Council will continue to liaise with the developer outside of the planning obligation process on the

mix of housing to be provided on the site.

Another of the approved applications relates to residential development of up to 90 dwellings on land at the junction of Field Road and Blenheim Road, Ramsey. The application is for outline permission and includes access.

DEVELOPMENT MANAGEMENT – GODMANCHESTER

The Development Management Panel has approved a scheme of improvement works to the A1198 in substitute for the scheme approved as part of the original grant of outline planning permission.

The Panel has further approved a Design Code (revision N) as a material consideration in the determination of future reserved matters applications for the development of land at Bearscroft Farm, Godmanchester.

DEVELOPMENT MANAGEMENT – SECTION 106 AGREEMENTS – LITTLE PAXTON

The Development Management Panel has approved a change to the previously approved permission for development at Riversfield Mill, Mill Lane, Little Paxton. This application is CIL liable and will require a variation to the S106 Agreement

STATUTORY DISMISSAL PROCEDURES FOR HEADS OF PAID SERVICE, MONITORING OFFICERS AND THE RESPONSIBLE FINANCIAL OFFICER

In conjunction with the Panels for Corporate Governance and Employment, the Standards Committee has been advised of changes to the statutory disciplinary and dismissal procedures that apply to holders of various statutory posts within the Council.

UPDATE ON CODE OF CONDUCT COMPLAINTS

It has been reported to the Standards Committee that, in the last year, the Monitoring Officer has received 16 complaints under the Code of Conduct. Of these, 15 have progressed and one had been cancelled. Further details on the split between parish and district complaints will be provided to Members of the Committee outside of the meeting.

REVIEW OF COUNCIL CONSTITUTION

The Standards Committee has been updated on progress of the review of the Council's Constitution. An external firm of Solicitors, Bevan Brittan, have been appointed to carry out the review. Their initial assessment has been reported to Members. A Member working group is to be established to oversee the process. It is likely that it will be concluded later this year.

REQUEST FOR DISPENSATION

The Standards Committee has renewed a dispensation for Councillor Mrs P A Jordan. The dispensation will allow her, as an employee within the NHS, to speak and vote at meetings of the Overview and Scrutiny Panel (Social Well-Being) when business relating to the NHS arises. However, Councillor Mrs Jordan will not be able to participate in business that affects her own personal terms and conditions of employment and matters that impact on her directly as an employee. The dispensation lasts until 30th April 2019.

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