

Executive

Transformation Challenge Award

1 July 2013

Report of Head of Finance and Procurement

PURPOSE OF REPORT

This report outlines proposals for bidding against the transformation challenge award and details the process and timetable for completion.

This report is public

Recommendations

The Executive is recommended to:

- (1) Note the contents of the report and the purpose of the transformation challenge award.
- (2) Endorse the areas suggested for collaboration with South Northamptonshire and Stratford upon Avon Councils.
- (3) Delegate authority to the Director of Resources and Head of Finance and Procurement in consultation with the Leader of the Council to finalise submissions ahead of the deadline date of 14 July 2013.

Executive Summary

- 1.1 The Government announced that funding was to be made available to support local authorities that are at the cutting edge of innovation for service transformation so that they are going further and faster in re-engineering service delivery and achieving efficiency savings.
- 1.2 As a result in April 2013 the government launched the Transformation Challenge Award to provide this funding.
- 1.3 The criteria and bidding process is outlined in Appendix 1 and the 3 way Joint Arrangements Steering Group has been considering if the 3 councils could bid for funds to support the joint working proposals particularly around the development of a common ICT platform, shared services and joint procurement.

- 1.4 At the meeting of the JASG held on 19 June 2013 a report was considered that detailed the areas that the 3 councils could consider making a funding application.
- 1.5 As a result of this meeting JASG endorsed the submission of a number of bids and has recommended the approach up to the Executive.
- 1.6 Cherwell District Council and South Northamptonshire have a number of shared services in place already including Joint Management Team, Finance and Procurement, ICT and Democratic Services and Elections. In generating these, the Council has formally added these and others to the policy framework of the Council. This approach enables full Council to approve the principle of each shared working proposal on a case by case basis and then permits Executive to be vested with the decision making power to approve each business case in detail with the exception of any staffing implications which, as non-executive functions, are matters for Personnel Committee.
- 1.7 In order to satisfy the bidding criteria we need to be able to evidence that the areas for collaboration have political support and the JASG is asking the Executive to confirm that in the recommendations.
- 1.8 As the deadline for submissions is not until 14 July 2013 and to maximise the time available to prepare the bids and confirm which ones should be submitted the report is also seeking delegated authority to finalise the submissions to the Director of Resources and Head of Finance and Procurement in consultation with the Leader of the Council to finalise submissions ahead of the deadline date of 14 July 2013.

Background Information

Areas for Collaboration and Funding Application

- 2.1 At the JASG meeting on 18 April 2013 members were made aware of the potential funding available (Transformation Challenge Award) to support local authorities that are at the cutting edge of innovation for service transformation so that they are going further and faster in re-engineering service delivery and achieving efficiency savings.
- 2.2 The criteria and bidding process was outlined in the report and as a result of the review members thought that the 3 councils could bid for funds to support the joint working proposals particularly around the development of a common ICT platform, shared services and joint procurement. Officers were also asked to see if any funding was available to meet the transition costs of shared services that were already implemented.
- 2.3 On reviewing the award conditions in more detail and consulting with the LGA, the following additional information is available:
 - 2 Types of awards – multi authority (2 or more authorities) and smaller authority (individual or jointly)
 - Multi-authority awards- expect 3-4 awards of up to £2m each, each in different geographical areas.
 - Smaller, authority awards will probably be around 30 awards between £50k and £500k each

- Awards will only be made for projects that can be delivered within 1-2 years and where political agreement from each of the participating local authorities has been secured before bids are submitted.
- There is no funding available for projects already implemented.

Proposed Projects

- 2.4 There are 3 key outcomes that each proposed project should deliver innovation, cost reduction and collaboration. Brandon Lewis MP has explained the aim for the award as being recognition that some relatively small authorities have gone a long way in sharing services, and with a little help they could go a lot further.
- 2.5 Based on the current collaboration between the Councils a report was considered and supported at JASG on 19 June 2013 that proposed that bids should be made for the following projects:

Project	Council	Key Outcomes	Award
ICT 3 Way Service	All	Innovation, VFM , channel shift and service to sell to others	AW
Procurement Hub	All	Innovative, Cross Boundary, VFM and best practice	AW
Organisational Change	All	Innovative, VFM and new ways of working	AW
Legal Hub	All	Innovation, VFM and service to sell to others	AW
Managed Services Hub	All	Innovation, VFM and service to sell to others	MMA
Economic Development	All	Accelerated Economic Growth, Sustainable Communities and NNDR income	AW

- 2.6 Each Council also has the opportunity to make individual bids against the fund and the following is proposed:

Project	Council	Key Outcomes	Award
Economic Development and Housing Growth in Bicester specific	CDC	Accelerated Economic Growth, Sustainable Communities and NNDR income	AW
Housing Growth District Wide	CDC	Accelerated Growth, VFM , Structure	AW

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The following options have been identified. The approach in the recommendations is believed to be the best way forward.

Option One Implement as per recommendations

Option Two To approve or reject the recommendations above or request that Officers provide additional information.

Consultations

Joint Arrangements Steering Group - April and June 2013

Implications

Financial: Financial Effects – there are none arising from this report directly. However the financial implications for each of the areas of collaboration will be outlined in the specific bids and funding sought accordingly. Any formal business cases will be subject to their own individual approval process including a review of financial implications.

Comments checked by Nicola Jackson, Corporate Finance Manager 01295 221731.

Legal: While shared services are facilitated between Cherwell and South Northamptonshire by the section 113 agreement (as varied) completed by the two Councils any formal sharing of services beyond mutual collaboration/support with Stratford would require a formal tripartite agreement to be completed. Collaborative support would be provided pursuant to the Local Authorities (Goods and Services) Act 1970. Of the service areas listed above only collaborative working with Stratford in legal services are currently part of the adopted policy framework.

Comments checked by Kevin Lane, Head of Law & Governance, 03000 030 107.

Wards Affected

All

Corporate Plan Themes

All

Executive Lead Member

Councillor Barry Wood - Leader of the Council

Document Information

Appendix No	Title
Appendix 1	Transformation Challenge Award
Background Papers	
None	
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