



Extraordinary CenSus (Central Sussex Partnership) Joint Committee

Friday 18th March 2016 (at the conclusion of the Census Joint Committee meeting commencing at 10.00am) in the Queen Elizabeth II Room, Shoreham Centre, Pond Road, Shoreham-by-Sea, BN43 5WU

Councillors:	Neil Parkin	Adur District Council
	Jim Funnell	Adur District Council
	Brian Donnelly	Horsham District Council
	Gordon Lindsay	Horsham District Council
	Jonathan Ash-Edwards	Mid Sussex District Council
	Gary Marsh	Mid Sussex District Council
	Daniel Humphreys	Worthing Borough Council
	Mark Nolan	Worthing Borough Council

Agenda

Agenda	Item	Presenter	Page
1.	To receive any declarations of interest from Members of the Joint Committee	-	
2.	To consider any items the Chairman of the meeting considers to be urgent	-	
3.	Withdrawal of Adur-Worthing from the Revenues and Benefits Partnership	Peter Stuart	3



Report by the CFO to Census Joint Committee

Wards Affected – All
Key Decision - No

WITHDRAWAL OF ADUR-WORTHING FROM THE REVENUES AND BENEFITS PARTNERSHIP

Purpose of Report

1. This report sets out the implications of Adur DC's decision to withdraw from the Census Partnership for Revenues and Benefits.

Recommendations

2. **The Joint Committee are recommended to:**
 - (i) **agree the workstreams outlined within the report to facilitate the withdrawal of Adur-Worthing from the Revenues and Benefits partnership.**

Background

3. At its meeting of 25th February, the Full Council of Adur agreed to withdraw Adur DC from the Revenues and Benefits aspect of the Census partnership. This is so that, amongst other things, the Adur service can merge with Worthing (which has never been part of the Census service) and thereby gain economies of scale.
4. Notice has now been served on the existing partners as per the Partnership Agreement. The earliest that a severance can take place is March 2017, which would be very disruptive to the annual billing run of council tax and non-domestic rate as well as creating problems for the production of Housing Benefit letters.
5. It is therefore suggested that the final termination date for the current partnership agreement should be 1st October 2017 with a long lead-in to enable the various issues and associated actions to be agreed and put in place beforehand.
6. This Extraordinary Meeting of the Joint Committee is asked to consider the ramifications of the demerger and agree the workstreams set out below.

Implications of the demerger

7. Officers have been assessing the situation and feel that the project can be divided into three discrete workstreams which will have some clear touchpoints for both projects. For example, determining the size and structure of the staffing establishment in the future, ie post disaggregation, will also inform the Adur-Worthing service of the possible resource need for their revised partnership.

8. The first of these is to assess and action the actual removal of all Adur work (ie existing accounts and case histories) within the current partnership. Given that there was a considerable amount of integration necessary to form the partnership it is expected that a similar effort may be required to undo that process.
9. Secondly, it will be necessary to reassess the partnership in order to prepare it for the future and fit to operate with just the two partners; ie to ensure that it is scaleable, both increasing and decreasing. This will also entail a financial appraisal of likely future costs.
10. Thirdly, Adur-Worthing will need to integrate the Adur workload into the existing service and ensure that the service is properly supported by ICT, HR etc. This aspect of the project is not within the remit of the Joint Committee and it will not therefore be reported any further, save for information only.

Workstream 1: Separating out the departing partner.

This is likely to consume the most planning and implementation resource. The currently identified aspects of this stream have been set out in Appendix 1.

Workstream 2: The service for the remaining partners.

For the Joint Committee, this is an equally important piece of work since it will define how the service is provided in the future. Officers advise that in a similar way in which the Partnership was formed, we would need to use specialist consultant advice to assist with taking the service forward at its optimum level.

Guiding Principles

11. The Partnership Agreement details the requirement for the partners to work collaboratively and that all partners recognise the importance of minimising disruption to service delivery.
12. Acknowledges that ADC will be liable for reasonable costs described in the Partnership Agreement (i.e. arising directly from the termination but excluding any on-going increased costs of providing the service after the date of termination due to dis-economies of scale.
13. It is recommended that Members delegate decision-making powers relating to the termination to the Chief Executives to avoid delays in progressing disaggregation of the service, but that if agreement cannot be reached between the partners then further reports will be brought back to the Committee.

Policy Context

14. Partnership working is firmly within the remit of the Joint Committee and is subject to scrutiny within the constituent Councils.

Other Options Considered

15. None. Adur-Worthing have considered other options than withdrawing from the service but have rejected them.

Financial Implications

16. This report has no such implications. As the project progresses the costs of withdrawal will become clearer as will the costs of continuing the run the partnership for the remaining partners.

Risk Management Implications

17. At this stage a full Risk Assessment has not been undertaken but will be before Project commencement.

Equality and Customer Service Implications

18. There are no equality implications inherent in any of the workstreams. However, it is considered that there is potential for customers to be adversely affected if the workstream element to move customer accounts from the existing partnership to their new authority is not handled with absolute precision. This will of course be fully factored into the Project Plans as necessary.

Other Material Implications

19. None.

Background Papers

None

Contact

Peter Stuart - Head of Finance and CFO for the Census Joint Committee

Email: peters@midsussex.gov.uk

Tel: 01444 477315

Workstream 1: WITHDRAWAL OF ADUR FROM THE CENSUS REVENUES AND BENEFITS PARTNERSHIP

Introduction

1. Early assessments indicate that there are a range of implications that all parties will need to consider:
2. All parties will have to scope the work required to secure a successful withdrawal and identify costs. The implications of any withdrawal will need to be fully understood by all parties.

Staffing Implications

3. A high level assessment of operational staffing in the partnership suggests there are 15.3 staff carrying out work on Adur cases. In contrast, Adur calculate that they would need 35 staff to carry out this work.
4. Initial advice indicates that TUPE would NOT apply because there is no identifiable grouping of staff dealing solely with Adur work. The same advice is that relocating staff to Adur or Worthing would not constitute 'Suitable Alternative Employment' given the travel arrangements and change of employer.
5. Work will need to be undertaken to finalise the staffing numbers required. Partners remaining in the partnership will need to develop a strategy for achieving required staffing levels including an assessment of any costs of potentially 'managing down' the staffing levels without impacting on service provision.

Technical Issues

ICT

6. **Core System** – The 3 ICT systems are not integrated and do stand alone. We are advised by Capita that if a party leaves the partnership there are no significant ICT implications for the wider partnership although there will be potential implications for the CenSus ICT partnership in delivering the core system at different sites. This work and its impact on the CenSus ICT partnership in particular will need to be scoped.
7. **EDRMS** – This document management system is shared across the whole partnership and one database is used for all 3 authorities involved in the partnership. Adur's records will need to be extracted. This work is likely to be complex and will need to be scoped. In addition, the contract for this system expires in September 2019 and a negotiation will be necessary with the service provider to decrease the contract sums payable.
8. All parties will need to work with CenSus ICT and the two software providers, Capita and Northgate to scope the work required to develop a timetable and identify and cost the work. Consideration will need to be given by CenSus ICT's capacity to undertake additional work without any impact on their operational day to day work.

Telephony

9. Work will be required by CenSus ICT to demerge Adur calls from the CenSus network and direct them into the Adur Call Centre. This work will need to be scoped and carried out by CenSus ICT.

Outsourcing Contracts

10. The partnership outsources two elements of the service, post opening/scanning/indexing to Northgate and Printing/Posting to Capita.

Northgate – The contract is for 3 years ending March 2017 with an option to extend for 1 year.

Capita – The contract is hosted by West Sussex County Council.

These contracts will have to be renegotiated and varied possibly at additional cost. The implications and costs will need to be scoped.

Forms, letters and website

11. Resource-intensive work will need to be planned to amend every ICT template and letters for all partners.

Project Management

12. The withdrawal will require rigorous project management. There will be a number of inter-linking projects involving a number of stakeholders.

Cost

13. Significant work will be required to establish the cost of Adur's withdrawal, the common ground being those costs directly attributable to the withdrawal.

Next Steps

14. This is a key and critical service for some of our most vulnerable customers. It is therefore extremely important that any change to the partnership is carried out very carefully and is well managed to minimise any impact on our customers.
15. Scoping work must be carried out before any further decisions can be taken to implement the change to the partnership model.

Project architecture

16. The project management structure to oversee a complex transition of a key customer focused service must be robust and supported by good governance. This means the Partnership will need to employ a Project Manager to:
 - Firstly oversee the work to scope the project, identify key work streams, identify transition costs, identify interdependences and develop a project plan including a timeframe. This will need to be presented to the Partnership Management Board (PMB), the Joint Committee (JC) and to each of the individual Council's governance arrangements.
 - Secondly oversee this complex project (subject to approval by the PMB/JMC) sponsored and supported by the Overarching Steering Group.
 - It is envisaged that this PM cost is covered by the exiting authority, subject to it being agreed to be reasonable by all parties.
17. The project management architecture will need to consist of at least the following key components, supported by existing governance arrangements to ensure transparent and democratic decision making.

Overarching Steering Group

18. This Group will take responsibility for overseeing the scoping work and the change to the partnership model. It will hold to account the sub groups who will report into this group. (A reporting timeframe will need to be agreed at the outset). This group will consist of CEx or their representatives. It will also oversee the cost implications, drive the timeframe, ensure good governance and support transparent decision making.

Sub groups

Staff and resources

19. This team will take responsibility for scoping and identifying the key work streams associated with managing the staffing implications of the change to the partnership and any associated costs. It will be responsible for implementing change. This group will consist of the HR representatives from each of the partners and a senior officer from Census Revs and Bens. The project manager will be a senior HR officer from the host Council Mid Sussex DC. This group will also be responsible for liaising with the Unions.

ICT and telephony

20. This team will take responsibility for scoping and identifying the key work streams associated with managing the ICT and telephony implications of the change to the partnership and any associated costs. . It will be responsible for implementing change. This group will consist of ICT representatives from each of the partners. The project manager will be a senior ICT officer from the Census ICT partnership, subject to agreement from the partners in the Census ICT partnership.

Business continuity and planning

21. This team will take responsibility for scoping and identifying the key work streams associated with managing the key risks relating to the provision of business as usual during the transition and any associated costs. This group will consist of the Business Unit Leaders from Census Revs and Bens partnership and service leads from each of the other partners. The project manager will be a senior officer from Census Revs and Bens.

Governance

22. The project sub groups will report into the Overarching Steering Group who will report into the Census Joint Committee.
23. Each Council will also have to set up its own internal governance arrangement to support the changes to the Partnership. At Mid Sussex this work will be overseen by the Leader and Service Delivery Scrutiny Committee.
24. To ensure transparency and good governance a timeline for key decisions will need to be drawn up so that each Council can be satisfied that it has a clear mandate from its Members at each critical stage of the project.

Timeframe

25. Due to the importance of this service to our most vulnerable customers this work must not be rushed and must be properly resourced. It must have the full support of all partners with robust and transparent decision making. The Councils and key

partnerships (ICT and Revs and Bens) involved have built in sufficient capacity to support this work in 2016/17.

26. On completion of the scoping work the extent of the work required to implement the change will be known and this will need to be built into future work programmes possibly in 2017/18.

Workstream 2: Future Service Provision

Future business planning

1. For the remaining partners, it will be vitally important that attention is given to the future form of the service given that the economies of scale will have been diminished. It will be necessary to review all aspects of the service (as per Workstream 1) and consider the wider ramifications for the partnership and its customers before agreeing the direction of travel. For example, attracting another partner may be a necessity to keep costs at a comfortable level, or it may be felt that an increased level of digitisation would provide similar benefits.
2. A small team to take forward this project would be formed. This group will consist of lead officers from Horsham and Mid Sussex and Census Revs and Bens. The project manager will be a senior officer from Mid Sussex DC as the host of Census Revs and Bens.
3. This team will take responsibility for scoping and identifying the key work streams associated with understanding future opportunities and risks post transition to ensure the service is fit for purpose and is continuing to provide value for money.
4. This group will report into a sub group of the overarching project group consisting of representatives of Horsham and Mid Sussex only.