

Notice of Meeting



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Overview and Scrutiny Management Commission

Tuesday, 6th October, 2020 at 6.30 pm

This meeting will be held in a virtual format in accordance with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panels Meetings) (England and Wales) Regulations 2020

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Agenda - Overview and Scrutiny Management Commission to be held on Tuesday, 6 October 2020 *(continued)*

Date of despatch of Agenda: Monday, 28 September 2020

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Gordon Oliver / James Townsend on (01635) 519486 / 503605

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Further information and Minutes are also available on the Council's website at www.westberks.gov.uk



Agenda - Overview and Scrutiny Management Commission to be held on Tuesday, 6 October 2020 (continued)

- To:** Councillors Jeff Brooks, James Cole, Lee Dillon (Vice-Chairman), Gareth Hurley, Alan Law (Chairman), Thomas Marino, Steve Masters, Gordon Oliver, Garth Simpson and Tony Vickers
- Substitutes:** Councillors Adrian Abbs, Peter Argyle, Jeremy Cottam, Carlyne Culver, Owen Jeffery, David Marsh, Claire Rowles and Andrew Williamson
- Other Officers & Members invited:** Nick Carter, Gordon Oliver, James Townsend Catalin Bogos, Joseph Holmes, Pete Campbell, Gary Lugg, Sarah Clarke, Kevin Griffin and Phil Rumens.

Agenda

Part I	Page No.
1. Apologies for Absence To receive apologies for inability to attend the meeting (if any).	
2. Minutes To approve as a correct record the Minutes of the meeting of the Commission held on 28 July 2020.	7 - 14
3. Declarations of Interest To remind Members of the need to record the existence and nature of any personal, disclosable pecuniary or other registrable interests in items on the agenda, in accordance with the Members' Code of Conduct .	
4. Petitions To consider any petitions requiring an Officer response.	
5. Actions from previous Minutes To receive an update on actions following the previous Commission meeting.	15 - 16
6. ICT / Digital Transformation Task Group Report <i>Purpose: To outline to OSMC the work undertaken by the task group created to review the ICT / Digitisation Strategy and the Corporate Digitisation Programme.</i>	17 - 28
7. Shared Services Report <i>Purpose: To report on the Council's existing shared services agreements and provoke discussions on whether any other Council services should be shared with other authorities.</i>	29 - 60



Standing Items

8. **2020/21 Performance Report - Quarter One** 61 - 96
Purpose: To provide assurance that the core business and council priorities for improvement measures (Council Strategy 2019-2023) are being managed effectively. To highlight successes and where performance has fallen below the expected level, present information on the remedial action taken, and the impact of that action.
9. **2020/21 Revenue Financial Performance Report Quarter One** 97 - 110
Purpose: To report on the in-year financial performance of the Council's revenue budgets.
10. **2020/21 Capital Financial Performance Report Quarter One** 111 - 118
Purpose: The financial performance report provided to Members on a quarterly basis reports on the under or over spends against the Council's approved capital budget. This report presents the Quarter One financial position.
11. **West Berkshire Council Forward Plan 6 October 2020 to 31 January 2021** 119 - 120
Purpose: To advise the Commission of items to be considered by West Berkshire Council from 6 October 2020 to 31 January 2021 and decide whether to review any of the proposed items prior to the meeting indicated in the Plan.
12. **Exclusion of Press and Public**
RECOMMENDATION: That members of the press and public be excluded from the meeting during consideration of the following items as it is likely that there would be disclosure of exempt information of the description contained in the paragraphs of Schedule 12A of the Local Government Act 1972 specified in brackets in the heading of each item.
[Rule 8.10.4 of the Constitution also refers.](#)

Sarah Clarke
Service Director Strategy and Commissioning

If you require this information in a different format or translation, please contact Moira Fraser on telephone (01635) 519045.



DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

OVERVIEW AND SCRUTINY MANAGEMENT COMMISSION

MINUTES OF THE MEETING HELD ON TUESDAY, 28 JULY 2020

Councillors Present: Jeff Brooks, James Cole, Lee Dillon (Vice-Chairman), Lynne Doherty, Gareth Hurley, Owen Jeffery, Alan Law (Chairman), Thomas Marino, Ross Mackinnon, Steve Masters, Garth Simpson, Joanne Stewart and Tony Vickers

Also Present: Catalin Bogos (Performance, Research and Consultation Manager), Sarah Clarke (Service Director Strategy & Governance), Julie Gillhespey (Audit Manager), Joseph Holmes (Executive Director (Resources)), Bryan Lyttle (Planning Policy Manger), Gordon Oliver (Corporate Policy Support) and James Townsend (Policy Officer- Executive Support)

PART I

6. Minutes

The Minutes of the meetings held on 14 January 2020, 14 May 2020 and 25 June 2020 were approved as a true and correct record and signed by the Chairman.

7. Declarations of Interest

Councillor Alan Law declared a personal and prejudicial interest in Agenda item 6 by virtue of the fact that he was a Member of the Executive at the time decisions were made. As his interest was personal and prejudicial he undertook to leave the meeting for this item and not to take part in the debate or voting on the matter.

Councillor Tony Vickers declared an interest in Agenda Item 6 by virtue of the fact that he had worked with Duncan Crook on previous planning applications and through the local Liberal Democrats, but reported that, as his interest was a personal interest, but not a disclosable pecuniary interest, he determined to remain to take part in the debate and vote on the matter.

Councillor Tom Marino declared an interest in Agenda Item 10 by virtue of the fact that he was on Tilehurst Parish Council, but reported that, as his interest was a personal interest, but not a disclosable pecuniary interest, he determined to remain to take part in the debate and vote on the matter.

8. Petitions

There were no petitions to note.

9. Actions from previous Minutes

There were 5 actions followed up from previous Commission meetings:

(16) Completed

(17) Completed

(18) Gordon Oliver stated that a schedule of reports was being finalised and service review items will be included on the forward plan.

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(19) Councillor Law stated the item should be taken off the list as it was in hand.

(20) Gordon Oliver stated that the group convened in June 2020 and is scheduled to report to OSMC in October 2020

10. London Road Industrial Estate Task and Finish Group Report

Councillor Alan Law declared a personal and prejudicial interest in Agenda item 6 by virtue of the fact that he was a Member of the Executive at the time decisions were made. As his interest was personal and prejudicial he left the meeting and took no part in the debate or voting on the matter. Councillor Lee Dillon (Vice-Chairman) took over as Chairman for this item.

Councillor Tony Vickers declared a personal interest in Agenda item 6 by virtue of the fact that he had worked on planning applications with a member of the public with an interest in item 6. As his interest was personal and not prejudicial he determined to take part in the debate and vote on the matter.

The Commission considered a report (Agenda Item 6) concerning the London Road Industrial Estate Task Group.

Councillor James Cole introduced the report that sought to outline to OSMC the work undertaken by the task group created to better understand the advice and guidance received in relation to the Council's decision when procuring a preferred partner for the London Road Industrial Estate (LRIE) development. He stated that the full list of recommendations by the Task Group were set out in Paragraph 5.42 and Appendix H, and it was recommended that these be adopted by OSMC as recommendations to the Executive.

Councillor Vickers stated that 'east of the A339' was not part of the Newbury Vision area. He also noted in the Newbury Town Centre Plan 2005, one option for the town centre boundary included LRIE. He further noted that one of the problems the Council has had was that there has not been a planning led master plan for the area. While he commended the report, he thought the terms of reference were too tight and that scrutiny should be led by the opposition.

Councillor Jeff Brooks stated that he was looking for assurances that things had changed and processes had been updated. He stated he wanted to see evidence of this.

Councillor Garth Simpson stated that the report showed the lack of project management that was involved in LRIE. He asked if the Commission were now satisfied that the Council had invested sufficient resources to resolve the issues that arose out of LRIE.

Councillor Steve Masters commended the work completed, but expressed concern about the narrowness of the terms of reference. He also stated that the Commission needed assurances that processes had changed and the same mistakes will not be repeated. He asked what measures had been taken to fix the issues of LRIE.

Councillor Lynne Doherty noted that the terms of reference had been agreed at a public meeting.

Councillor Cole stated that the project management comments in the report demonstrated that the Council had developed since the LRIE started. He stated that the Council now used the Prince2 methodology and that it had programme officers for big projects. He also noted that the Council was now putting staff through project management training. He stated that this was evidence that things had changed.

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Councillor Marino asked for clarification on VEAT notice.

Councillor Cole stated that it meant Voluntary Ex Anti-Transparency notice.

Sarah Clarke clarified that it related to procurement legislation and advertised the intention to enter into a contract, inviting third party objections.

Councillor Brooks stated that the Council should be at the forefront of adopting new project management methodologies and not lagging behind.

Councillor Vickers asked Councillor Cole what else he would have included in the terms of reference that were not included. He also asked why the 'Executive-led master plan' initiative was not paused whilst the report was being written. Furthermore, he asked why Mr Gaulton and Mr Crook were not interviewed. He stated that the Strutt and Parker feasibility study took too long to go to Executive. He further noted that the LRIE provides a substantial income to the Council and asked if the site should be utilised in a way other than rental income. Lastly, he stated that the football ground at LRIE is an asset of community value, he asked if the next project will incorporate this.

Councillor Cole stated that he would not have expanded the terms of reference.

Councillor Lynne Doherty, in response to Councillor Vickers, stated that the project was not delayed because the provision was that West Berkshire was always open for business to attract new investment.

Councillor Cole stated that the task group had a submission from Mr Crook but a lot of it was outside of the terms of reference.

Sarah Clarke stated that the task group was unable to locate Mr Gaulton. She also stated that she was not sure why there was a delay of the Strutt and Parker feasibility study.

Councillor Vickers stated that he was on the Newbury Town Centre Task Group and he felt that the council did not have the resources to deal with the project management.

Bryan Lyttle stated that, on planning policy, the core strategy for West Berkshire was submitted in 2010, and the associated employment land availability assessment indicated that the Council had sufficient land, but not sufficient quality. . He explained that a 'quarters' concept was included, but the inspector took this out. He also stated that LRIE is an area of protected employment and is susceptible to flooding.

Councillor Doherty stated that this report would be reviewed at Executive and she would report back. She also noted that the figures for the income of LRIE would be disclosed at a later date.

Resolved that: the recommendations were approved and the report would be taken to Executive for consideration.

Councillor Alan Law returned to the meeting and resumed as Chairman.

11. Local Government Association (LGA) Corporate Peer Challenge

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The Commission considered a report (Agenda Item 7) concerning the Local Government Association Corporate Peer Challenge.

Joseph Holmes introduced a report that sought to outline the results of the LGA Corporate Peer Challenge for West Berkshire Council and an action plan to address the recommendations within it. He noted that there were a number of positives in the report, but it did highlight the need for the Council to continue to improve its communications and engagement.

Councillor Doherty stated that the key points to address in the report were being addressed, such as the communications and engagement strategy.

Councillor Cole stated that the change to communications over the last year had improved dramatically.

Councillor Vickers stated that he would like to see more scrutiny and resources for internal scrutiny.

Councillor Law agreed that he would like more officer support for scrutiny, but suggested that the work done with the available resources could not be better.

Councillor Doherty stated that the Council was part of the LGA and they reviewed the Council's services on a regular basis. She also noted that there was scrutiny through a number of streams, such as the Health and Wellbeing Board and Corporate Parenting Panel. She noted that the Peer Review had not highlighted any problems with scrutiny.

Councillor Brooks stated that officers were stretched and there was always more that could be done in terms of resources.

Councillor Law praised the Council's communications since the start of the Covid outbreak, but stated that the Council's telephone system and switchboard needed improving.

Resolved that: the report and recommendations were noted.

12. 2019/20 Performance Report Quarter Four

The Commission considered a report (Agenda Item 8) concerning the 2019/20 Performance Report Quarter Four. Catalin Bogos stated that the report sought to provide assurance that the core business and Council priorities for improvement (Council Strategy 2019-2023) were being managed effectively. He also highlighted successes and where performance had fallen below the expected level with associated remedial measures. He highlighted strong overall performance with only two areas where targets had not been achieved. He noted that benchmarking activities also showed strong performance. He asked the Commission to note the report, including the recommendations approved by the Executive.

Councillor Dillon stated that the report needed to be clearer when it referred to Covid-19 impacts. He also wanted to thank the work that had been done on housing payments free-school meals and asked if there should be more regular reporting.

Councillor Cole asked if the statistic on page 163 was the average number of sick days per member of staff and stated that he did not understand the graph on page 162.

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Catalin Bogos stated that the chart showed how many performance measures were on target and that 'baseline' referred to new activity. The chart on page 156 provided details on the acronyms used. He undertook to ensure these were repeated under each graph.

Councillor Jo Stewart stated that she would re-think the presentation of the graph with Catalin Bogos. In reference to Councillor Dillon's point on Covid-19 impacts, she stated that further clarification would be given on this in the report. She also noted that further investigations into comparison of sick levels would be undertaken.

Councillor Vickers in relation to page 188 'Produce the infrastructure delivery plan', he believed that PAG had a figure for housing numbers.

Bryan Lyttle stated this was still in the report because it was still in a range and not a definitive figure. He confirmed that the Council had an eight year housing land supply which was in excess of the five year requirement.

Councillor Law stated that the report focused solely on the Council's core business and stated that one of the recommendations was to establish a new strategic goals category.

Catalin Bogos stated that some of the KPIs were incorporated from the OSMC recommendations and stated that others were being worked on.

Councillor Law stated that he would like to see some comments on the strategic goals at the next OSMC meeting.

Action: Gordon Oliver to send the Performance Report from OSMC in January 2020 to Councillor Stewart to review the recommendations made.

Resolved that: the report was noted.

13. 2019/20 Revenue Financial Performance: Provisional Outturn

The Commission considered a report (Agenda Item 9) concerning the 2019/20 Revenue Financial Performance: Provisional Outturn. Joseph Holmes outlined the report and sought to report on the financial performance of the Council's revenue budgets. He noted that the provisional revenue outturn position was an under spend of £1.46m (comprised of £1.3m in Adult Social Care (ASC), £435k in Children & Family Services (CFS) and £245k in Education), which was 1.2% of the Council's 2019/20 approved net revenue budget of £125m. He stated that the under spend would have a positive impact on the General Fund reserve.

Councillor Brooks stated that an under-spend was as dangerous as overspending, especially given a 1.5% increase in Council Tax.

Councillor Mackinnon stated that it was very difficult to forecast budgets exactly. He agreed that the goal was to come in as close as possible to budget, but the reasons for the variation were entirely justifiable.

Councillor Brooks stated that he believed Adult Social Care should now be more 'forecastable' after previous years also underspent.

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Councillor Cole stated that future budgeting would have to take account of the impact from Covid-19.

Joseph Holmes stated that this had been taken into consideration.

Councillor Law pointed to page 195 table 5.2 'net revenue forecast' and stated that quarter 4 highlighted a big under-spend. He stated that he was concerned that 4 months out and the Council still were not able to forecast it.

Joseph Holmes stated that the Council did model adult social care on range and there was room for caution in the forecast, having taken into consideration previous years' spending.

Councillor Dillon asked if there were any major bills that adult social care had to pay at the end of quarter four. He also stated that there should be more commentary on the forecasted adult social care spending.

Joseph Holmes stated that quarter four often saw additional costs, which did not happen this financial year and the fall in spend on Children's Services was contrary to previous years.

Resolved that: the report and recommendations were noted.

14. 2019/20 Capital Financial Performance Report - Outturn

Councillor Tom Marino declared an interest in Agenda Item 10 by virtue of the fact that he was on Tilehurst Parish Council, but reported that, as his interest was a personal interest, but not a disclosable pecuniary interest, he determined to remain to take part in the debate and vote on the matter.

The Committee considered a report (Agenda Item 10) concerning the 2019/20 Capital Financial Performance Report - Outturn. Joseph Holmes introduced the report that sought to highlight the under or over spend against the Council's approved capital budget. He stated that the report presented the provisional capital outturn for the Council in respect of financial year 2019/20. He further noted that the figures were provisional and may change as a result of External Audit. The provisional outturn was a £52.4 million underspend against the 2019/20 revised capital budget of £91.9 million. £35 million of the under spend related to the Commercial Property budget which was not spent during 2019/20.

Councillor Law stated that the figures related to a 30% under spend and asked for clarification.

Joseph Holmes stated that there had been some re-profiling into different financial years that had caused a lot of the under spend. He indicated that the Local Enterprise Partnership (LEP) funding for Newbury Railway Station had been carried forward and he pointed to page 208 which set out some key areas in education services where some of the school works had been re-profiled.

Councillor Law asked if the re-profiling was higher than previous years.

Joseph Holmes stated that he would have to check this.

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Councillor Vickers pointed to page 208 4.2 (b) in relation to Sandleford Access and its timeline for 2020/21 and asked if this was too optimistic.

Bryan Lyttle stated that it was achievable.

RESOLVED that the recommendations in the report were agreed.

15. **West Berkshire Council Forward Plan 7 July 2020 to 31 October 2020**

The Commission considered the West Berkshire Forward Plan (Agenda Item 11) for the period covering 7 July 2020 to 31 October 2020.

Councillor Law stated that he had spoken with Councillor Doherty about the possibility of a 6 month forward plan.

Resolved that the Forward Plan be noted.

16. **Overview and Scrutiny Management Commission Work Programme**

The Commission considered its work programme for the year 2020/21.

Councillor Dillon stated that he would like to see some scrutiny on how the assets were disposed of at the London Road site, what the Council's engagement methods were, the rationale or business case for closure was, what the Council's reading of the re-purposing policy was and whether the Council were opening up for challenge due to the site being vacant for two years.

Councillor Law stated that this was related to the London Road Industrial Estate report. He asked for Councillor Dillon to put this in writing and he would take this up with the Chief Executive and Leader of the Council to discuss timings and resources available.

Councillor Simpson stated he would like to see some work done on project management scrutiny.

Councillor Law asked Councillor Simpson to put this in an email and stated that he would take this up with the Chief Executive and Leader of the Council to discuss timings and resources available.

Resolved that the proposed changes to the work programme be noted.

(The meeting commenced at 18:30 and closed at 20:16)

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Actions arising from last OSMC Meeting

The OSMC is requested to consider the following list of actions and note the updates provided.

Ref No:	Date	Item/Action	Member/Officer	Comments/ Update
18	14/01/20	Corporate Programme and New Ways of Working - Progress with the NWoW reviews would be discussed with Heads of Service at appropriate stages in the process.	Catalin Bogos	At the meeting on 28 July, it was noted that activity on NWoW had been suspended during the early stages of the COVID-19 pandemic, but had since resumed. A schedule of reports is being finalised and service review items will be included on the forward plan.
20	14/01/20	Overview and Scrutiny Management Commission Work Programme - Arrange the first meeting of the ICT / Digital Transformation Task Group	Stephen Chard	The group was convened in June 2020 and is scheduled to report to OSMC in October 2020
21	28/07/20	2019/20 Revenue Financial Performance: Provisional Outturn - future reports to be amended in line with Members' suggestions	Catalin Bogos	Complete
22	28/07/20	2019/20 Revenue Financial Performance: Provisional Outturn - send Councillor Stewart a copy of the OSMC Review of Council Strategy Delivery Plan KPIs	Gordon Oliver	Sent 29 July
23	28/07/20	OSMC Programme - Councillor Dillon to email the Chairman about a possible future item on Newbury Football Club	Councillor Lee Dillon	
24	28/07/20	OSMC Programme - Councillor Garth Simpson to email the Chairman about a possible future item on project management	Councillor Garth Simpson	

Last updated: 28 September 2020

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OSMC Task Group Report: ICT / Digitisation

Committee considering report:	Overview and Scrutiny Management Commission
Date of Committee:	06 October 2020
Lead Member:	Councillor Tom Marino (Task Group Chairman)
Report Author:	Report prepared on behalf of the Task Group
Forward Plan Ref:	n/a

1 Purpose of the Report

To outline to the Overview and Scrutiny Management Commission (OSMC) the work undertaken by the task group created to review the Council's Digital Strategy and the Corporate Digitisation Programme.

2 Recommendations

2.1 OSMC is recommended to:

- note the changes made to the Digital Strategy in response to comments made by the Task Group prior to the Strategy being approved;
- approve the proposal for the Task Group to continue to meet on an on-going basis to monitor delivery of the Digital Strategy.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	None
Human Resource:	None
Legal:	None
Risk Management:	It is considered that the adoption of the recommendations of this report will reduce the risk that ICT / Digital projects fail.

Property:	None			
Policy:	Adoption of the recommendations of this report will improve the Council's Digital Strategy.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:	X			Adoption of the recommendations of this report will improve ICT / Digital services.
Digital Services Impact:	X			
Council Strategy Priorities:	X			The Digital Strategy supports the priorities set out in the Council Strategy.
Core Business:	X			Delivery of the Digital Strategy will improve business as usual services.

Data Impact:		X		
Consultation and Engagement:	See full details in the report.			

4 Executive Summary

- 4.1 At its meeting on 29 October 2019, the Overview and Scrutiny Management Commission (OSMC) agreed to review the draft ICT / Digital Strategy and Corporate Digitisation Programme.
- 4.2 The aims of the review were:
- to ensure the draft Digital Strategy was fit for purpose;
 - to identify any barriers to implementation of the strategy; and
 - to ensure that implementation of the Corporate Digitisation Programme is delivering the required change, with appropriate resourcing, prioritisation, and project management.

Methodology

- 4.3 The review was conducted by a cross-party Task Group consisting of Councillors Jeff Brooks, Gareth Hurley, Tom Marino and Steve Masters, with Councillor Tom Marino elected as Chairman.
- 4.4 The Task Group met four times between June and August 2020 to review the draft Digital Strategy and Digitisation Programme, and to ask questions of Council officers. There was active participation by members and the group benefited from the experience and insight those involved.
- 4.5 The Task Group proposed a number of minor changes, which were incorporated into the Strategy prior to being approved by Councillor Jo Stewart by Individual Executive Member Decision on 20 August.

Summary of Findings

- 4.6 Changes incorporated into the approved Strategy in response to the Task Group's recommendations, include:
- References to procuring commercial off-the-shelf software as a key principle;
 - Highlighting the need for sufficient funding and resources to be made available in order to deliver the projects identified in the Programme;
 - Additional detail on performance indicators, baselines and targets to be used to measure delivery of the strategy and achievement of desired outcomes;

- Minor amendments made to the formatting and wording of the Strategy.

Recommendations

4.7 Following discussions with the Chairman of OSMC, the Task Group has indicated that they would like continue to meet in order to review the delivery of the Strategy and to track its delivery and performance.

Acknowledgements and thanks

4.8 The Chairman and Members of the Task Group would like to thank Kevin Griffin (Head of Customer Services and ICT), Phil Rumens (Digital Services Manager) and Evangeline Haggerty (Energy and Programme Delivery Project Officer) for their participation in the Task Group, for answering all of the questions and for amending the Strategy to take account of the Task Group's comments. Thanks also to Gordon Oliver (Principal Policy Officer) and James Townsend (Policy Officer (Executive Support)) for supporting the Task Group.

5 Supporting Information

Introduction

- 5.1 The Digital Strategy sets out how the Council will embrace digital techniques to change how the Council works and to improve its communications and service delivery.
- 5.2 The Council's vision for digital transformation is to apply the most recent, and future practices, processes and technologies to respond to customers' raised expectations of service delivery.
- 5.3 The Strategy articulates how the Council will redesign its processes and make best use of data in order to optimise the route from customers' needs or requests to service fulfilment, thereby reducing the amount of resources consumed by each process.
- 5.4 This optimised service delivery will employ a range of access channels and in many cases will be available outside of the normal operating hours of the Council.
- 5.5 The Strategy includes a high-level delivery plan, which identifies the current Programme of planned activities to achieve the strategy's aims and objectives. A separate delivery plan with greater details of each of the programme elements will be produced to control and monitor progress.
- 5.6 It also includes measurable success criteria for each initiative, with baselines, targets and dates for completion.

Background

5.7 The Task Group held four meetings outlined in the table below:

Meeting date	Focus of meeting
09 June 2020	<ul style="list-style-type: none">• Election of the Chairman• Agreement of the Terms of Reference and Methodology

Meeting date	Focus of meeting
	<ul style="list-style-type: none"> • Overview of Digital Strategy • Overview of ICT / Digital Transformation Programme • Overview of New Ways of Working (NWoW) Programme
23 June 2020	<ul style="list-style-type: none"> • Election of Vice Chairman • Discussion of Digital Strategy
6 July 2020	<ul style="list-style-type: none"> • Review of Responses to Written Questions • Agreement of Information Required for Review of ICT / Digital Transformation Programme
19 August 2020	<ul style="list-style-type: none"> • Review of Updated Digital Strategy • Review of Success Measures • Review of Electric Vehicle Charge Point Information • Discussion of NWoW Reviews • Discussion on Systems Thinking in ICT / Digital • Discussion on Council Telephone Systems • Discussion on Benchmarking • Discussion on Task Group Outputs

5.8 Kevin Griffin (Head of Customer Services and ICT) and Phil Rumens (Digital Services Manager) attended all of the above meetings to answer questions relating to the Council's Digital Strategy and the associated ICT / Digital Transformation Programme, while Evangeline Haggerty provided written responses to questions relating to the provision and use of electric vehicle charge points.

Methodology

5.9 As can be seen from the table above, the Task Group met on four occasions over the summer. The Task Group interviewed officers who had been involved with the process.

Findings

5.10 The findings of the Task Group are summarised with reference to the questions in the Terms of Reference:

5.11 Question 1 – Is the Council's Digital Strategy fit for purpose and how do we keep it up to date?

- 1a) The Strategy was generally considered to be a sound, well-structured and well-written document and was considered to be largely fit for purpose.
- 1b) The Council has an incredibly complex and diverse range of ICT systems and processes, which reflect the broad range of services it delivers to customers – this is well captured in the Strategy.
- 1c) The intention is for the document to be regularly reviewed throughout its lifetime to ensure it remains up to date.

5.12 Question 2 – How does the strategy address issues around digital inclusion?

2a) Issues of digital inclusion have been effectively addressed.

- The Council follows national guidance around easy-to-read content.
- In 2019 the Shaw Trust was commissioned to review the Council's website and other online platforms for accessibility against the WCAG2.1 AA standard. Changes were made in response to the review and Shaw Trust will be asked to repeat the assessment.
- The proposed move towards a multi-channel offer will offer greater choice to customers with non-digital options retained, ensuring that citizens are not excluded due to a lack of access to digital channels or relevant skills.

5.13 Question 3 – How will the strategy improve customer experience and how will this be measured?

3a) The Strategy will improve the customer experience by:

- enabling them to engage via the communications channel of their choice;
- streamlining processes, and
- making better use of data, with improved integration across Council services.

3b) Customer research and engagement is the first of five principles that guide the Strategy and officers are committed to listening to customers to better understand their needs and to act on consultation feedback design processes that better meet their needs.

5.14 Question 4 – What does implementation progress look like and is it driving the required change?

4a) The ICT and Digital Teams have moved at pace to respond to the COVID pandemic and there is an expectation that this pace will be retained.

4b) The high-level delivery plan indicates a good level of ambition.

4c) The programme is front-loaded with space for additional projects to be added later in the plan period.

4d) ICT projects are being fed through from the New Ways of Working reviews.

5.15 Question 5 – Are there any barriers beyond time and staffing?

5a) The Strategy articulates a number of different ways to ensure projects are adequately resourced by people with the requisite skills, which could be altered to suit the needs of individual projects.

5b) The Task Group recognised that delivery of the ambitious programme could only be achieved if sufficient funding and resources were made available and that this should be acknowledged.

5c) No other potential barriers were identified.

5.16 Question 6 – How does prioritisation work and is the process driven by business cases?

6a) Governance processes are mature and fit-for-purpose, with all projects requiring a clear business case in order to progress.

6b) Projects are appropriately prioritised according to a clear set of criteria articulated in the strategy.

5.17 Question 7 - Is the project management effective?

7a) The majority of recent projects appear to have been delivered to time and budget, particularly where the scope has been well-defined and is appropriately understood from the outset.

5.18 Question 8 - Is there evidence that the outcomes are being delivered?

8a) The Strategy has only just been approved, so it is too early to tell for many areas of the Strategy.

8b) Good progress has been made in a very short space of time in response to the Covid pandemic, including:

- Staff supported to work from home in large numbers;
- Effective use of Zoom, supporting home working and remote public meetings;
- Deployment of Granicus to improve communications with residents and businesses during the Covid pandemic.

8c) The monitoring framework being used to track delivery of the Strategy had a number of missing / incomplete elements.

5.19 Question 9 – Should the Council commission a Digitisation Healthcheck??

9(a) The Task Group considered that the Strategy articulated a clear approach to improving ICT / Digital Services and had a good idea of baseline conditions, so a Healthcheck was not considered necessary.

Proposals

5.20 The investigation highlighted a number of minor areas where the Strategy could be improved:

- References to procuring commercial off-the-shelf software rather than bespoke solutions as a key principle;

- Highlighting the need for sufficient funding and resources to be made available in order to deliver the projects identified in the Programme;
- Additional detail on performance indicators, baselines and targets to be used to measure delivery of the strategy and achievement of desired outcomes;
- Minor amendments made to the formatting and wording of the Strategy.

5.21 These amendments were incorporated into the Strategy prior to being approved by Councillor Jo Stewart by Individual Executive Member Decision on 20 August.

5.22 In addition, members of the Task Group have indicated that they wish to continue to meet on an on-going basis to monitor delivery of the Digital Strategy. Digital Transformation is considered to be of paramount importance to the Council improving its services. The Task and Finish Group would offer an agile and useful addition to existing project management processes, ensuring continuity of involvement throughout the lifetime of the strategy.

6 Other options considered

- 6.1 Not to make changes to the Strategy. This would have resulted in weaknesses in the document not being addressed.
- 6.2 For the Task Group to be disbanded and for OSMC to retain oversight of the Strategy. However, OSMC only meets four times a year and could not be as responsive to emerging issues.

7 Conclusion

7.1 Although most of the modifications proposed were relatively minor, the Strategy has demonstrably benefited from the review by the Task Group. There would be further benefits from continued oversight of delivery of the Strategy by the Task Group. It is considered that a Task Group would be better placed to do this than OSMC, since it can be more flexible and can be convened at short notice to respond to emerging issues.

8 Appendices

8.1 Appendix A – Terms of Reference

Subject to Call-In:

Yes: No:

The item is due to be referred to Council for final approval

Delays in implementation could have serious financial implications for the Council

Delays in implementation could compromise the Council's position

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months

Item is Urgent Key Decision

Report is to note only

Wards affected: All wards.

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Overview and Scrutiny Review Matrix

Review Topic: ICT/Digital Transformation

Timescale:

Start: June 2020

Finish: August 2020

Review Rationale:

1. To review the current ICT / Digitisation Strategy and how far it has got. The Strategy is to be updated in light of the new Council Strategy so this review would be timely.
2. A review of the Corporate Digitisation Programme – this includes a number of corporate projects which are being overseen by the Customer First Programme Board. They are at various stages.
3. New Ways of Working Reviews – these are being done for each Service although only one has been agreed and published (Development and Planning). As stated earlier these Reviews are generating a large number of digital recommendations so there will inevitably be a queue and a need to prioritise even though some additional resource has been found.

Key Questions:

1. Is the Council's current digitisation strategy fit for purpose and how do we keep it up to date?
2. How does the strategy address issues around digital inclusion?
3. How will the strategy improve customer experience and how will this be measured?
4. What does implementation progress look like and is it driving the required change?
5. Are there any barriers beyond time and staffing?
6. How does prioritisation work? Is the process driven by business cases?
7. Is the project management effective?
8. Is there evidence that the outcomes are being delivered?
9. Should the Council commission a Digitisation Healthcheck?

Review Membership:

Councillor Jeff Brooks
Councillor Gareth Hurley
Councillor Tom Marino
Councillor Steve Masters

Chairman: Tom Marino

Vice-Chairman: Jeff Brooks

Lead Officer: Gordon Oliver

Information Required:

West Berkshire Council Digital Strategy 2020-2023

Witnesses:

Kevin Griffin – Head of Customer Services and ICT
Phil Rumens – Digital Services Manager
Evangeline Haggerty – Energy and Programme Delivery Project Officer

Shared Services

Committee considering report:	Overview and Scrutiny Management Commission
Date of Committee:	6 October 2020
Lead Member:	Alan Law (OSMC Chairman)
Date Head of Service agreed report: <i>(for Corporate Board)</i>	09 September 2020
Report Author:	Report prepared on behalf of OSMC
Forward Plan Ref:	N/A

1 Purpose of the Report

- 1.1 The purpose of this report is to provide to the Overview and Scrutiny Management Commission (OSMC) an overview of the Council's shared services and provoke discussions on whether any other Council services should be shared with other authorities.

2 Recommendation(s)

That OSMC:

- notes the content of this report;
- maintains a watching brief on existing shared service agreements, particularly those where concerns have been raised.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	There are no direct financial implications as a result of this report. However, there would be a requirement for additional revenue expenditure if it is agreed that additional feasibility studies are required to investigate further shared service arrangements.
Human Resource:	There are no direct human resources implications as a result of this report.
Legal:	There are no direct legal implications as a result of this report.

Risk Management:	There are no direct risk management implications as a result of this approach.			
Property:	There are no direct property implications as a result of this approach.			
Policy:	There are no direct policy implications as a result of this approach.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		

Council Strategy Priorities:	X			This report supports the Council Strategy Priority: Become an even more effective council, which involves identifying new ways of delivering each of our services to ensure better outcomes for service beneficiaries
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	See full details in the report.			

4 Executive Summary

- 4.1 This report provides an overview of the shared service agreements that West Berkshire Council currently has with other local authorities. It sets out the original rationale / business cases on which the shared services were based and provides an update on how they are currently performing where information is available.
- 4.2 The report also provides information on studies that the Council has undertaken, or is currently undertaking, to consider the potential for other services to be shared, focusing on HR, ICT, Legal Services and Planning.
- 4.3 In addition, the report considers what shared service agreements other local authorities have put in place, drawing on evidence and case studies produced by the Local Government Association. Further work has been undertaken in relation to a few case studies to look at how these have evolved and if they are still delivering the expected benefits.
- 4.4 The report concludes that West Berkshire Council is already party to a large number of existing shared services, and that with a few exceptions, the majority of these arrangements are continuing to perform well. However, there are a number where the original business cases are no longer being achieved, or where improved governance is required to better control expenditure.
- 4.5 There does not appear to be a systematic approach to reviewing shared service opportunities, particularly now that the New Ways of Working programme has been streamlined.
- 4.6 The recommendation is for OSMC to note the report and to maintain a watching brief on existing partnerships, which would be in addition to any governance arrangements already established for particular shared services.

5 Supporting Information

Introduction

- 5.1 This report provides an overview of the shared service agreements that West Berkshire Council currently has with other local authorities. It sets out the original rationale / business cases on which the shared services were based and provides an update on how they are currently performing where information is available.
- 5.2 The report also provides information on studies that the Council has undertaken, or is currently undertaking, to consider the potential for other services to be shared, focusing on HR, ICT, Legal Services and Planning.
- 5.3 In addition, the report considers what shared service agreements other local authorities have put in place, drawing on evidence and case studies produced by the Local Government Association. Further work has been undertaken in relation to a few case studies to look at how these have evolved and if they are still delivering the expected benefits.

Current Shared Service Agreements

- 5.4 Current shared services have been identified in consultation with the Chief Executive, Executive Directors, and other senior managers. A summary of current shared services is provided in Appendix A. This includes information on: the services affected; the partner authorities; the start and end date for current agreements; the business case for the shared services; and the most recent annual expenditure.
- 5.5 The list of shared services included in this report is not intended to be a definitive list, but serves to demonstrate the number and variety of functions that are already the subject of shared service agreements across the council.
- 5.6 These shared service agreements have been put in place for a variety of reasons, such as: delivering cost savings; delivering improved customer service; and improving service capabilities, flexibility and resilience. Some of the larger and more recent shared service agreements are discussed in more detail below, particularly where there is evidence that there may be issues or concerns regarding financial and / or operational performance.

Berkshire Joint Arrangements

- 5.7 The 'Berkshire Joint Arrangements' cover a large number of services previously provided by Berkshire County Council, which were not considered practical or economic to duplicate across the six unitary authorities when they were established in 1998.
- 5.8 Most of these agreements are still in place today and discussions with the Chief Executive confirmed that the rationale for the agreements remain broadly unchanged and that the consensus of the Senior Management Team is that they are mostly performing satisfactorily. Some are on-going arrangements with no defined end date. This may be because they are statutory requirements that have no viable alternative means of delivery. Examples include: the Lower Way landfill site, the Coroner Service, and the Lord Lieutenant. It should be noted that the Coroner Service was flagged by the

Shared Services

Senior Management Team as a service where costs were increasing and governance arrangements appeared less robust.

- 5.9 Other agreements are regularly reviewed and / or put out to tender. Typically these have five year terms, but some are as long as 15 years. These arrangements generally include provision for regular monitoring and reporting against key performance indicators to ensure they are delivering value for money, and the required service quality. In some cases, services are subject to national surveys and / or benchmarking to ensure that costs, quality and customer satisfaction are in line with equivalent services operated by other local authorities (e.g. Berkshire Record Office).
- 5.10 Some of the agreements have evolved over time to respond to changes in legal requirements. For example, the Berkshire Adoption Advisory Service became Adopt Berkshire and subsequently Adopt Thames Valley. This was done in order to ensure the Council is legislatively compliant through a regional adoption approach.
- 5.11 In many cases efficiency savings were a significant part of the rationale for the shared service agreements. However, it is often not possible to identify the level of savings currently being delivered, since the original business case was made many years ago and savings are no longer being routinely measured and reported.
- 5.12 Nevertheless, it is clear that existing arrangements are still being challenged where it is felt that they are no longer delivering the intended benefits or value for money is not being achieved. In the past, this has been done in a 'light touch' way as part of New Ways of Working reviews, or it has been progressed separately by directors or heads of service. For example, potential savings have been identified for the Urban Traffic Management and Control Systems agreement where West Berkshire Council is currently negotiating with partners and suppliers to implement a new system, with the potential for significant annual cost savings.

Building Control Solutions (BCS)

- 5.13 This brings together the Building Control Services of the Royal Borough of Windsor and Maidenhead, West Berkshire Council and Wokingham Borough Council into one partnership hosted by Wokingham Borough Council. Building control resources and expertise is shared across the three local authorities, with the aim of delivering service improvements and resilience, whilst offering a more flexible, customer focused service.
- 5.14 BCS carries out a mix of fee earning and non-fee earning work, including administration and processing of building regulations, demolition notices and other associated advisory services. Chargeable works are funded wholly by fees paid by service users, which should also cover overheads. Non-chargeable work is a subsidised service and the level of cost for each partner organisation will depend on the demand for this service from within the local authority area.
- 5.15 The service is not shared in a traditional sense, but instead West Berkshire Council pays a fee to Wokingham as the host authority to run the service, as well as providing accommodation and professional support. West Berkshire's net annual cost is between £60,000 and £80,000. An outline budget is agreed in advance and the host bears the financial risk.

Shared Services

5.16 The Building Control Shared Service Joint Board (Building Control Board) has been established to oversee the strategic leadership of BCS. This includes elected members from the three local authorities.

5.17 It should be noted that the original agreement is due to expire in 2021 and the Head of Public Protection and Culture is currently leading a review to consider what arrangements should be put in place from 2021.

Public Protection Partnership (PPP)

5.18 The PPP was established in January 2017 with Bracknell Forest and Wokingham Councils to deliver services across the three geographical areas. It provides the following services:

- Case Management;
- Environmental Quality;
- Energy and Programme Delivery;
- Licensing;
- Trading Standards;
- Operations Support;
- Residential (housing/HMO licensing, complex domestic nuisance, complex public health matters, pests, animal warden);
- Intel and Business (developing links between local information, professional risk management information, national and regional data to assist in target/priority setting);
- Response and Alcohol and Tobacco Strategy (alcohol reduction and smoking cessation activities).

5.19 The model has enabled the PPP to develop specialisms such as the Case Management Unit and a Communications function. By pooling knowledge and sharing resources across the authorities, the partnership aims to increase resilience and efficiency.

5.20 The Partnership is administered by West Berkshire Council as one team, with costs and revenues shared on a pre-determined basis between West Berkshire (39%), Wokingham (35%) and Bracknell (26%). This split is reviewed annually.

5.21 There are three distinct layers of governance:

- (1) Joint Public Protection Committee (JPPC)
- (2) Joint Management Board (JMB)
- (3) Joint Management Team (JMT)

In addition, the PPP may report to the Licensing Committees and Overview and Scrutiny Management Commission, as well as internal Corporate Boards, as appropriate.

5.22 An independent report (Quincetree Report) was commissioned in 2018 to consider the progress and success of the partnership against its stated priorities (Community Protection; Protecting and Improving Health; Protection of the Environment; Supporting Prosperity and Economic Growth; Improving Service Delivery) and the benefits

Shared Services

identified in the initial Business Plan (sharing best practice and expertise; greater resilience to cope with emergencies and unforeseen events; elimination of duplication and providing cost-effective services; and building on success and innovation).

5.23 The final report was published in November 2018. It acknowledged the PPP's strengths: a high level of flexibility through delegations to a Joint Committee and directly to service management; a developing identity and a high local profile; an aspiration to develop a reputation that makes it the go-to authority when others are looking for joint working options; the delivery of services ranging from case management work to animal feed and petroleum to public health for a wide range of other authorities; and that it has consistently delivered across a range of key indicators. The report also acknowledged that the PPP had a range of highly skilled and committed staff.

5.24 However, the report concluded that there was still work to be done in ensuring that PPP could realise its aims and objectives. A major learning point identified from the establishment of PPP was the need for a managed change process, with adequate investment in staff development. At the heart of this was a change management plan with a focus on priorities and monitoring. The report identified that, in the absence of this, there was a risk that mistakes made in the establishment of PPP were likely to be repeated.

5.25 The report made recommendations covering:

- Governance
- Organisation and management
- Processes
- ICT
- Accommodation
- Communications
- Support services within PPP
- Embedding change

5.26 Following the review, an action plan has been put in place to drive change and address the issues raised.

Joint Emergency Planning Unit (JEPU)

5.27 The JEPU was set up in April 2018 to provide the Emergency Planning and Business Continuity service for Bracknell Forest, Royal Borough of Windsor and Maidenhead and West Berkshire Councils. The services is set up in a similar way to BCS, but with West Berkshire Council hosting and running the service and the other local authorities contributing.

5.28 The main focus of the unit is to ensure each of the Councils can respond to an emergency, whether directly affecting the Council and/or the community.

5.29 In order to meet this requirement, the team must comply with the Civil Contingencies Act 2004 and other specific legalisation by:

- assessing the risk of incidents occurring and using this to inform emergency planning and business continuity planning;

Shared Services

- implementing and reviewing the plans;
- supporting the development of internal business continuity management plans;
- informing the public about civil protection matters and maintaining arrangements to warn, inform and advise the public in the event of an emergency;
- sharing information with other local responders to enhance co-ordination;
- co-operating with other local responders to enhance co-ordination and efficiency;
- providing advice and assistance to businesses and voluntary organisations about business continuity management.

5.30 The team works closely with all services in each of the Councils, with professional partners, and with the local community by way of individuals, residents, businesses and specific risk sites. It should be noted that the team has increased from 1.5 to 5 posts in the last few years in response to escalating demands on the service.

New Ways of Working Review – Public Protection and Culture

5.31 BCS, the PPP and the JEPU were collectively the subject of a New Ways of Working (NWoW) review by West Berkshire Council in 2019, as part of a wider review of the Council's Public Protection and Culture service

5.32 NWoW reviews were introduced in 2017 to examine the ways in which each of the Council's functional units are delivered and how they will continue to be delivered over the next five years. The rationale for the reviews is to ensure that services are sustainably, effectively and efficiently delivered to residents.

5.33 The relevant findings of the review are summarised below:

- **Stakeholder feedback** - Sessions with staff, service managers and elected members showed that current models for delivery, were seen as appropriate and offering resilience. However, there was some concern about whether they were operating to maximum effectiveness. Issues of transparency, performance management and governance were highlighted for the PPP as well as declining revenues and performance for Building Control.
- **Staffing** - The review found no immediate recruitment, sickness or establishment concerns. However, it did highlight an issue with low Employee Attitude Survey figures and recommended that this should be investigated. The review agreed with the findings of the Quincetree report, that co-location and the introduction of a single IT system for case management would have the greatest impact on staff morale.
- **Finance** - The absence of comparable financial data for Public Protection limited the conclusions that could be drawn, although the review noted that the PPP spend seemed high when compared with others. A number of recommendations were made to maximise income and minimise costs. The low variances between rankings for both JEPU and BCS relative to other similar services were considered to be relatively insignificant.

It should be noted that cumulative savings for PPP are in the order of £330,000, which were mostly achieved in 2016/17 and 2017/18. To put this in context, West Berkshire Council's annual contribution was circa £1.6 million in 2016/17. However, from 2019/20 onwards, budget pressures start to exceed savings (before taking account of any fee increases). This suggests that "easy" savings arising from the efficiencies inherent in a shared service have all been taken and that structural changes are required to reduce costs going forward. (It should be noted that financial performance has traditionally been exceptional, coming in within around 1% variance.)

- **Demand, activity and performance** - The review found that demand for building control had reduced over time. Some activity within the PPP had also altered over time due to changes in market conditions, although it should be noted that COVID has added considerably to overall workload in recent months. The NWoW review found that data was limited for the JEPUs, but suggested a mix of changes in demand and activity across the services provided. (However, a conversation with the Head of Public Protection and Culture suggests that workload has increased significantly in recent years with staff number rising from 1.5 to 5 FTE in response.) The review expressed particular concern about performance in Building Control, with two out of five KPIs falling below targets and market share retention remaining below that of comparator authorities and falling.
- **Information and Communication** - Within the PPP, issues around information and communication are significantly hindering the partnership's ability to deliver on its original ambitions, as supported by the Quincetree report. Equally, the NWoW review found that the JEPUs are somewhat siloed in their use of IT and consolidation of systems would improve efficiency. As information and communication for the delivery of BCS is managed by Wokingham Borough Council, it was not included as part of the review.
- **Alternative Models of Service Provision** - The review indicated that following a period of significant transition, there would seem to be little merit in fundamentally changing the way in which the services' activities are delivered. It noted that the varied models of delivery for the Public Protection functions have resulted from ad hoc opportunities for partnership working and, whilst there is some concern about the performance of some areas, the delivery models, themselves, are believed to be appropriate and to provide a resilience and breadth of provision that would not otherwise exist.

5.34 The NWoW review identified a number of improvement actions, which have been incorporated into a delivery plan. These will be overseen and monitored by the Environment Board. The actions that are relevant to BCS, the PPP and the JEPUs are set out in Appendix B, which must be considered as a Part II item on the basis that it relates to the business affairs of the Council, and it is therefore exempt information under Schedule 12A, paragraph 3.

Previous Feasibility Work on Shared Services

5.35 The Council has already undertaken considerable work to look at the feasibility of sharing additional services with other local authorities. Examples of this work are described below in relation to:

Shared Services

- Human Resources (HR)
- Information and Communication Technology (ICT)
- Legal Services
- Planning

Human Resources

5.36 The HR Service has been the subject of an NWoW review. As identified above, the aim of the NWoW programme is to review the way in which each of the Council's functional units is delivered over the medium term, in order to ensure that we deliver effective and efficient services to our residents that are sustainable and make full use of the potential provided by our people, our money and digital technology.

5.37 HR comprises a number of teams which can be grouped as follows:

- Payroll
- HR Services
- HR Strategy & Operations

5.38 The teams carry out the activities shown in Table 5.1 below

Table 5.1 – HR Services

Team	Payroll	Statutory/ Discretionary
Activity	<ul style="list-style-type: none"> • HMRC payments and deductions • Auto enrolment % pensions • Statutory payments/deducations/SMP SSP court orders etc • Starters/leavers/changes • Processing timesheets/travel • Admin of lease car scheme • General queries and payroll calculation • Providing payslips P60s, P11Ds • Voluntary deductions/Unison/Cycle/Childcare 	<ul style="list-style-type: none"> • Statutory • Statutory • Statutory • Discretionary • Discretionary • Discretionary • Discretionary • Statutory/ Discretionary • Discretionary
Team	HR Services	Statutory/ Discretionary
Activity	<ul style="list-style-type: none"> • Pre-employment DBS checks • Systems upkeep and upgrades • Establishment control and job evaluation • Schools traded service – contracts • Corporate – contracts • Safeguarding training • Training & e-learning • Recruitment • Occupational Health 	<ul style="list-style-type: none"> • Statutory/ Discretionary • Discretionary • Discretionary • Statutory/ Discretionary • Discretionary • Statutory • Discretionary • Discretionary • Discretionary

Shared Services

Team	HR Strategy & Operations	Statutory/ Discretionary
Activity	<ul style="list-style-type: none"> • Schools traded service – employee relations • Corporate – employee relations • Policy development • Absence management • TUPE consultation • Redundancy consultation • Occupational Health 	<ul style="list-style-type: none"> • Discretionary • Discretionary • Discretionary • Discretionary • Statutory • Statutory • Statutory

- 5.39 For HR Services and HR strategy & Operations, there have been a number of preliminary discussions to explore the potential for shared services. An earlier proposal (2013) to share HR with South Oxfordshire and the Vale of White Horse Councils was ultimately discounted as no business case was proven on the grounds of resilience or cost. Similar exercises were also undertaken in 2016 with Wokingham and in 2019 with Winchester. However, due to operational differences and initial assessments that no benefit could be realised, these proposals were not pursued.
- 5.40 The previous Head of HR who led the negotiations is no longer in post. However, conversations with other members of the Senior Management Team suggest that work did not progress beyond tentative discussions to gauge interest and fit between the local authorities.
- 5.41 It is acknowledged that the specialist skills needed to deliver the Occupational Health service are not held in house. Therefore a joint procurement exercise was undertaken with Bracknell Forest Council in 2016/17 for the provision of the service. This is an example of the service's flexibility around outsourcing where required. Whilst this does bring with it some issues around supply and demand, these are often down to budgetary constraints, rather than skills shortage.
- 5.42 A shared service was not recommended as an option for Payroll. Instead, the review highlighted that there may be economies of scale to be found if Payroll were placed elsewhere within the Council (e.g. Customer Services and ICT (due to links with Education ICT), Finance and Property (links with Schools Accountancy) or Commissioning (Schools Contracts)). It also highlighted that volumes of low complexity MyView telephone calls from users which could, theoretically, be handled by Customer Services or the ICT Helpdesk, without too much additional training. Similarly the processing of employee expenses could be handled by Exchequer.
- 5.43 The management team is receptive to a graduated expansion of trading of its service to other organisations, but only where there would not be an impact on the Council's ability to pay its own staff. It is thought that a Local Authority Trading Company or similar model would not be viable unless Payroll were to form part of a wider offering to schools sitting outside of the council completely.
- 5.44 Some authorities have outsourced Payroll and there is significant private sector provision of Payroll services elsewhere, but the view of the manager is that the authority would get less service whilst paying more, particularly in light of the income the team provides and the potential for future trading.

ICT

- 5.45 Discussions with the Head of Customer Services and ICT highlighted some of the challenges associated with sharing or outsourcing ICT services.
- 5.46 The main challenge is related to the large number and complex nature of the ICT systems operated by each unitary authority. This is largely as a result of the diverse range of public services provided by a typical unitary authority, each of which has its own particular mix of specialist systems, many of which are unique to local government.
- 5.47 Also, each local authority has a slightly different mix of systems and providers, which may be configured in different ways, and their staff will use different feature sets to suit their particular needs and adopted practices. This complex ICT landscape requires specialist IT support, with people trained in particular systems.
- 5.48 In addition, local authorities are at different stages of migrating systems to the cloud, with some running almost totally cloud based, with others still using local servers.
- 5.49 These differences mean that it is very difficult to harmonise systems or have a single team working across multiple local authorities. While it is recognised that each of the Berkshire authorities has issues around capacity, the Heads of ICT do not consider that this could readily be addressed by shared services due to the reasons outlined above.
- 5.50 It is worth noting that one of the main barriers to local authorities sharing services other than ICT is difficulties in coordinating individual ICT systems. For example, this was recognised in the Public Protection and Culture NWoW review.
- 5.51 It is also interesting to note that most of the Berkshire authorities have outsourced their IT services at some point, but that all have either brought them back in-house or are in the process of doing so, because of performance or cost issues. West Berkshire last did this in 2002 with the Amey contract. In some cases, the cost and disruption associated with bringing services back has been considerable, due to the fact that in-house capability in terms of professional expertise and ICT infrastructure has been lost.
- 5.52 Previous discussions around shared services have focussed around particular systems or functions and it is considered that this is where there is the greatest potential for benefits.
- 5.53 One example was in relation to procurement of Wide Area Networks, where the Berkshire authorities sought to utilise the Unicorn Framework set up by Surrey.
- 5.54 West Berkshire and Bracknell Forest previously shared an information security officer (ISO) for 18 months, but the arrangement was not effective and was terminated when the ISO left the organisation to work elsewhere.
- 5.55 There has been some discussion with Bracknell around sharing the service to manage Capita SIMS, which is an information management system used by schools and Children's Services. However, despite initial interest from Bracknell, the initiative was never progressed. Similarly, discussions about joint procurement of the Capita One system have failed to progress to fruition.

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5.56 It should be noted that Customer Services and ICT are scheduled to undergo a New Ways of Working review in the autumn and it is scheduled to conclude early next year.

Legal Services

5.57 The retirement of the Head of Legal Services in October 2016 provided the Council with an opportunity to review how Legal Services were delivered, and to consider whether these could be delivered in a more efficient and effective manner via a shared service.

5.58 At that time, Legal Services had a significant number of vacancies and had experienced ongoing difficulties recruiting suitably qualified staff. As a small team, the vacant posts had a significant impact on the ability to provide a comprehensive legal service to the Council and on morale within the Team. These combined circumstances meant that there was an obvious logic in entering into a shared service to increase the resilience of a small team.

5.59 A shortlist was made of prospective partners, which included Basingstoke & Deane Borough Council, Wokingham Borough Council, and Bracknell Forest Borough Council, and visits were made to each of these authorities.

5.60 Following the initial meetings, it was apparent that Bracknell Forest Council would be the most suitable partner for a shared service. The reasons for this were:

- Basingstoke & Deane was a district authority, so the scope of legal expertise in their team was limited and would offer limited resilience across significant areas of work.
- Wokingham Borough Council already operated a shared legal service with Windsor and Maidenhead, but all 'communities' based work (i.e. Children and Family Services, Adult Social Care and Education) was delivered by the Joint Legal Team in Reading. This again meant that the resilience hoped for may not be delivered across the team.
- The Legal Team in Bracknell provided the same range of legal support to their Council departments as West Berkshire. This meant that although they had fewer lawyers than West Berkshire, they were most likely to have the same range of legal skills and expertise. The Team in Bracknell also used the same Iken case management software.

5.61 A decision was made to explore the feasibility of a shared service with Bracknell Forest. It was made clear at the outset that there was no expectation for the proposal to deliver savings, but rather that it should deliver increased resilience and capacity.

5.62 The project was ongoing for almost two years and was a significant piece of work, involving officers not just from Legal, but also from Finance, ICT and HR. The business case produced was a comprehensive document, but could not demonstrate that it would deliver on the critical success factors identified at the outset of the project, so the shared service proposal was not progressed.

5.63 In particular, there were issues around ICT systems. The differences in how the Legal teams used Iken meant that both the dependency on the system and the understanding

Shared Services

of how it operated, was very different in the two authorities. This difference in understanding was evident not just in the Legal Team, but in the ICT lead officers, with the ICT officer from West Berkshire having a far better technical understanding of the system and how it operated.

- 5.64 The cost of the requisite ICT infrastructure meant that the structure that was proposed under the business case would have delivered less resilience than the existing arrangements. As the project was being undertaken on the basis that there would be no additional costs, the ongoing costs of the proposed ICT solution would have had to be funded from costs currently allocated against salaries.
- 5.65 It should be noted that West Berkshire began looking for a potential partner at a time when there had been a turnover of approximately 50% of staff and as a result, the Service was under extreme pressure. However, a successful recruitment campaign was run with dedicated assistance from HR, which resulted in every vacant post being filled and so the case for a shared service was eliminated.
- 5.66 One aspect of Legal Services that is already shared is the specialist Childcare Legal Team, which is based Reading and serves the six Berkshire authorities. There have been issues with the cost of the service escalating in recent years, and insufficient data has been provided to adequately manage the service. It has been the subject of discussions at chief executive level, and Nick Carter led a review of the service, which resulted in additional governance measures being imposed. Representatives from West Berkshire Council's Legal Services and Children's Services now meet regularly with the team in Reading to discuss issues around cases, and to ensure appropriate allocation of resources and costs. Early indications suggest that costs are being better managed, but the situation is being kept closely monitored.

Planning

- 5.67 Discussions with the Head of Development and Planning and the Planning Policy Manger highlighted the following activity in relation to shared services.
- 5.68 The Planning Service already undertakes shared procurement with the other Berkshire local authorities on studies that are required to inform the development of planning policy (e.g. Gypsy and Traveller Needs Assessments, Employment Needs Assessments, and Strategic Housing Needs Assessments). This avoids unnecessary duplication of effort when dealing with issues that cross local authority boundaries.
- 5.69 Extensive work has also been undertaken by the Planning Service to consider the potential for shared services with neighbouring local authorities.
- 5.70 **Minerals and Waste Planning** – Previously, the Berkshire Joint Strategic Planning Unit was responsible for delivering a Joint Minerals and Waste Plan for the Berkshire Councils. However, the unit was disbanded around 2010. This was followed by a discussion about preparing a new Joint Minerals and Waste Plan for Berkshire, but with the exception of West Berkshire, there was no appetite to progress this. Given the scale of potential mineral extraction sites and a number of waste sites in West Berkshire, the Council decided to prepare a plan. Work then followed to look at the potential to share with Hampshire and Oxfordshire, but they were on a different timetable, so a decision

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was made to progress a plan for West Berkshire alone. Work continues on the plan preparation with submission to Government for examination in 2021.

- 5.71 **Local Plan** - There have been a number of discussion across Berkshire looking at the potential for a joint Local Plan either in full or in part. There have been Officer level discussions a number of times in the last ten years, but after taking political soundings there was no appetite to progress.
- 5.72 In 2015 Berkshire Leaders / Chief Executives commissioned consultants to look at the potential to share Local Plan, Economic Development and Transport Policy services across Berkshire. Although some advantages were identified, including the potential for some financial savings, after consideration, the Berkshire Leaders decided not to progress with any shared service arrangements. However, the Berkshire authorities do work jointly on the Local Plan evidence base and have produced a West of Berkshire Spatial Planning Framework.
- 5.73 In 2016 The four authorities of Bracknell Forest, Reading Borough, West Berkshire and Wokingham Borough Councils worked together to identify large-scale opportunities to meet identified future development needs in the area. To maintain the competitive edge of the Thames Valley, which is acknowledged as a strong driver in the national economy, the area needs continuing investment to adapt as a place as well as an economy.
- 5.74 A key element of this is ensuring that we are creating the places where our current and future residents want to live, work and where businesses can thrive. Following the identification of the Western Housing Market area in the Berkshire Strategic Housing Market Assessment (SHMA), the four authorities have agreed to work collaboratively to consider how to meet the identified Objectively Assessed Housing Need for the market area. The councils will also be working collaboratively to identify how to meet future economic development and other development needs in the area.
- 5.75 Joint work has been undertaken in relation to housing market areas, employment land assessments and landscape character appraisals.
- 5.76 In addition to the above Wokingham, West Berkshire and Reading Council have worked together on a developer proposal for a large-scale Garden Town in the Grazeley area. The joint work is managed through a Member level Joint Board and supported by an Officer level working Group.
- 5.77 **Development Control** – In 2016 there was a detailed look at the potential to delegate planning decisions to Parish and Town Councils and realise a financial saving. It was ultimately decided by the then Executive Member with portfolio responsibility for Planning not to progress with the proposal primarily on the following grounds:
- The legal responsibility for planning application decisions would remain with West Berkshire Council even if a Parish or Town made the decision. This would include defending appeals and legal challenges.
 - Most Parish and Town Councils did not have the resources or expertise to undertake the function and so the bulk of applications and so resources would remain with We the Council.

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- Planning fees would go to the administering Parish / Town Council.
- Only one other Local Planning Authority (LPA) had piloted a similar scheme and, after an unsuccessful trial, decision making was reverting to the LPA.
- The net saving to the Council, based on the above, was very limited, but the risk was considered high.

5.78 West Berkshire has looked at and led discussion on the potential for sharing the administration, assessment and recommendations associated with processing planning applications. On both occasions, and after taking political soundings, there was no appetite to proceed with the proposal. The last time this was considered was in 2018.

5.79 **Transport Policy** - An option for establishing a shared Transport Policy Team across the six Berkshire local authorities was investigated, but was subsequently ruled out by West Berkshire Council due to concerns that this would be dominated by Reading and Slough which have the greatest traffic and transport issues. (It should be noted that the Transport Policy Team recently transferred to the Environment Service.)

5.80 **Archaeology** - The Planning Service also looked at the potential for joining a Berkshire-wide archaeology consultancy agreement with Reading University. However, this was discounted because there would be no financial benefit from this arrangement, since West Berkshire is so much larger than the other local authorities.

5.81 **Ecology** - The Ecology Team is currently looking at the potential for shared services in relation to District Newt Licensing to manage great crested newt populations.

National Situation

5.82 The Local Government Association (LGA) has published a summary of the main local authority partnership arrangements across England. This provides information on 626 partnership agreements, which have delivered £1.341 billion of savings. This figure is likely to be an under-estimate, since in many cases information on savings is not provided, or it is too early in the lifetime of the partnerships to be able to calculate savings. South East England has the highest number (120 agreements) and has achieved the greatest reported savings to the end of 2018/19 (£314 million).

5.83 The table below provides high-level information about partnerships currently in place across England as a whole.

Table 5.2: Local Authority Partnerships in England (source LGA)

Category	Count	Total Savings	Average Savings	Savings 2018/19
Cross Council Services	1	£23,600,000	£23,600,000	£6,100,000
Procurement & Commissioning	28	£388,647,925	£13,880,283	£96,981,525

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Category	Count	Total Savings	Average Savings	Savings 2018/19
Back Office Services and Customer Services	6	£77,307,000	£12,884,500	£11,142,000
Shared Management	28	£214,685,423	£7,667,337	£42,925,000
Culture, Arts, Heritage & Tourism	9	£44,800,000	£4,977,778	£0
Human Resources	23	£83,045,500	£3,610,674	£23,000
Shared Leadership & Chief Executives	8	£23,457,153	£2,932,144	£1,202,901
Housing, Revenues & Benefits, Homelessness, Asylum, Immigration	22	£48,054,300	£2,184,286	£3,107,940
Democracy, Governance & Performance	12	£24,996,000	£2,083,000	£84,000
Finance & Financial Services	53	£96,371,591	£1,818,332	£9,164,923
Adult Services	14	£25,100,000	£1,792,857	£0
Business Support, Employment, Economic Growth & Regeneration	6	£9,825,000	£1,637,500	£0
ICT & Digital Services	38	£53,644,434	£1,411,696	£2,508,000
One Public Estate	31	£42,689,216	£1,377,071	£3,523,876
Property, Facilities and Utilities	42	£51,801,377	£1,233,366	£10,215,619
Environmental Protection, Waste & Regulatory Services	55	£61,049,261	£1,109,987	£5,267,704
Transport & Highways	14	£15,473,219	£1,105,230	£340,569
Legal Services	25	£16,210,526	£648,421	£628,458
Children & Young People	16	£6,330,000	£395,625	£0
Community Safety (including Fire)	100	£23,589,113	£235,891	£489,975
Planning & Building Control	28	£5,840,500	£208,589	£0
Library Services	8	£1,190,000	£148,750	£0
Health & Social Care	21	£2,298,000	£109,429	£2,037,000
Public Health	12	£504,746	£42,062	£0
Estates Property, Facilities & Utilities	15	£562,000	£37,467	£195,650
Parks & Open Spaces	3	£106,000	£35,333	£10,000

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Category	Count	Total Savings	Average Savings	Savings 2018/19
Education & Learning (Adult/Schools)	3	£77,750	£25,917	£0
Capital Assets	3	£75,000	£25,000	£0
Building Control Services	1	£0	£0	£0
Sports & Recreation	1	£0	£0	£0
Total	626	£1,341,331,034	£2,142,701.33	£195,948,140

5.84 Services that are most frequently the subject of partnering arrangements are:

- Community Safety (including fire) – 16%
- Environmental Protection, Waste and Regulatory Services – 8.8%
- Finance and Financial Services – 8.5%
- Property Facilities and Utilities – 6.7%
- ICT and Digital Services – 6.1%

5.85 The greatest overall savings per partnership agreement come from the following areas:

- Cross-Council Services - £23.6 million
- Procurement and Commissioning - £13.9 million
- Back Office Services - £12.9 million
- Shared Management - £7.7 million
- Culture, Arts, Heritage and Tourism - £5.0 million

LGA Research and Best Practice

5.86 The LGA has produced a report 'Services shared: costs spared' documenting research carried out on five shared service arrangements in England:

- Cambridgeshire & Northamptonshire County Councils (LGSS): established 2010
- Devon and Somerset Fire and Rescue Authority: established 2007
- Herefordshire Council, Herefordshire Primary Care Trust and Wye Valley NHS Trust (Hoople Ltd): established 2011
- All councils in Lincolnshire – Procurement Lincolnshire: established 2008
- Vale of White Horse and South Oxfordshire District Councils: started process in 2008.

5.87 The report focuses on the key themes that emerged from the research, specifically the nature and scale of the benefits delivered by shared service arrangements. Although somewhat dated, the findings remain relevant.

5.88 The report also outlines an evaluation tool that has been developed to help identify financial and non-financial benefits of partnership arrangements and to monitor delivery progress.

5.89 Key findings from the report are reproduced below:

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1. Clear financial benefits can be made from sharing services through: consolidating organisation structures; integrating information technology; reducing accommodation; and improving procurement.
2. Early savings are made by reducing staff; removing duplication and management posts.
3. Initial benefits are typically delivered rapidly with strong top-down leadership.
4. As shared services mature and evolve they are able to benefit from wider business transformation, such as better use of IT and assets, improved processes and cultural change programmes.
5. Set up and integration costs for emerging services are modest, with less than a two year payback period for all the shared service arrangements.
6. Baseline financial and performance information is essential to make the case for change and track the benefits of shared service arrangements in terms of efficiencies and service improvements. This is not always available.
7. The shared service arrangements studied have all succeeded in providing the same or better levels of performance at less cost.
8. Good performance against organisations' KPIs are complemented by good staff indicators, such as high staff morale, low staff sickness and low turnover rates.
9. Rapid implementation helps build momentum for change.
10. Expanding established shared services to provide services for other public sector partners in a locality is a useful way to generate income and ensure efficiencies through greater economies of scale.
11. A key challenge is integrating different organisational cultures, IT systems, structures and processes.

5.90 The report also identifies a number of factors that need to be present for a shared service to succeed:

- Strong leadership
- Visible commitment from senior managers and councillors
- Good project management
- Effective consultation with trade unions and staff
- Good communications with staff.

5.91 The following table provides a summary of the set-up costs and financial benefits in the first two years for each of the case studies.

Table 5.3: Summary of Financial Benefits and Set-Up Costs from Case Studies

Shared Services

	Start Date	Baseline Cost	Total Year 1 & 2 Savings		One-Off Set Up Costs
			Staff	Other	
LGSS	April 2010	£83m	£1.06m	£2.73m	£3.32m
Devon & Somerset FRA	April 2007	£67.2m	£734,000	£637,000	£966,000
Hoople Ltd	April 2011	£11.5m	£620,000	£0	£800,000
Procurement Lincolnshire	July 2008	£0.6m	£0	£5.14m	£148,000
Vale of White Horse / South Oxon	2007	£19.9m	£2.83m	£2.12m	£1.9m

Case Studies

5.92 The LGA report was published in 2012. It is worth noting that all of the above partnerships are still in operation and in some cases have continued to expand the range of services that they deliver. Two of these, Hoople and LGSS are described in further detail below. These cover some of the most commonly shared public sector services, including those that typically have been shown to deliver the greatest savings. They also provide interesting long-term case studies that serve to highlight some of the challenges and opportunities facing public sector partnerships as they mature.

Hoople Ltd

5.93 Hoople Ltd is not a traditional form of public sector partnership. Instead, it was established as a joint venture company with public sector shareholders to deliver significant savings on back office services and to tender for external private sector work in order to generate an income.

5.94 It was set up as a 'Teckal' company, which means that it benefits from contracts for works, services or supply from its controlling contracting authority (or authorities) without having to go through a competitive tender process.

5.95 The original partners included Herefordshire Council, Herefordshire Primary Care Trust and Wye Valley NHS Trust. Hoople Ltd was established in April 2011 with 315 staff joining from the Council at the outset, with 134 additional staff from the two NHS partners joining in November 2011.

5.96 Herefordshire Primary Care Trust was abolished in 2013 as part of a restructuring of NHS services, leaving the other two partners as the sole shareholders. The savings attributed to the PCT have been transferred in part to Wye Valley NHS Trust which took on some of the PCT's functions.

5.97 The original aims of the partnership were to:

- Enable the three partners to work in full partnership to focus on their shared priorities of delivering a better quality of life and improved health and wellbeing.

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- Revitalise public services to help them become more efficient, joined up, customer focused and responsive.
- Pool resources, such as human resources, IT, finance and purchasing across organisations.
- Strengthen investment in new ways of working, so employees are supported by modern systems, training and development, and services are designed around the needs of individuals.
- Boost employee skills, achieve best practice, increase capacity and flexibility and improve collaboration between organisations and service areas.

5.98 From its inception in 2011, Hoople Ltd has grown and developed into a business that now delivers a wide range of services for local authorities, the public sector, local healthcare providers and others, including:

Human Resources:

- Delivering HR services to the vast majority of local authority schools in Herefordshire and most of the academies, as well as to schools in Worcestershire and Shropshire
- Working with Herefordshire Council and other public sector organisations to deliver a wide range of HR services

Payroll and Employee Services:

- PAYE payroll functions
- Fully integrated payroll services with expert advice and management of end-to-end payroll requirements
- Employee services including professional advice and guidance on a whole range of transactional HR services related to conditions of service and contracts of employment

IT Services:

- A range of service packages from essential desktop support, security and procurement to a fully-integrated enterprise resource planning solution, providing both operational support and strategic management to organisations that face rapid, on-going change

Finance:

- Accounts payable – processing and recording of purchase orders, goods received, invoices and contracts
- Debt collection services - council tax and business rate collection, housing benefits and rental property collection

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- Court appointee and deputyship – providing services for those unable to manage their own finances

School Financial Services:

- Offering a wide range of back-office services from a strategic budget planning level down to basic services, including payments management

Training and Education:

- Providing a wide variety of training courses including: mandatory training for the care sector; vocational skills; IT training; and personal and professional development for all types of businesses and organisations

Recruitment and DBS:

- Hoople Recruitment operates across the public and private sectors, dealing in permanent positions, contract roles and temporary jobs.
- They are the lead supplier for Herefordshire Council vacancies and are the 'go to' provider for over 70 schools in Herefordshire
- Hoople also offers Disclosure and Barring Service (DBS) checking options.

5.99 The business case for Hoople Ltd suggested that the organisation would deliver £12 million of savings in the first 10 years, with around half of this projected to come from the first three years. Savings were forecast from streamlining the management structure and reducing the number of staff involved in repetitive or routine transactional work. Further savings were forecast from service redesign. The company made a significant contribution in its first year of operation, delivering savings of over £619,000 on a turnover of £11.5 million, but subsequent annual reports suggest that financial performance has failed to meet expectations.

5.100 When it was set up, the intention was for surpluses generated by third party services would be retained and reinvested to initially support the growth and development of the business. However, the organisation has come in for criticism in recent years for failing to win sufficient external contracts, leading to several years of operating losses.

5.101 Despite these shortcomings, both shareholders remain committed to the partnership, and Hoople continues to perform strongly in key areas (e.g. collection of council tax and business rates is above target) and continues to evolve and adapt (e.g. developing deeper partnerships with the clinical commissioning group and securing a place on a new framework to provide staff into school settings).

Local Government Shares Services (LGSS)

5.102 LGSS was established in October 2010 by Cambridgeshire and Northamptonshire County Councils. The councils were concerned that they had already cut costs and services to the point where further reductions would make services unviable. LGSS presented an opportunity to provide shared services across two counties, creating cost

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savings through economies of scale, whilst maintaining or enhancing performance standards.

5.103 LGSS provides a wide range of business support and advisory services, including HR, Finance, Legal, ICT, property and payroll. Some front-line services are also included, notably social care financial assessments.

5.104 LGSS was established under a joint committee consisting of six elected members (three from each council). Each council appoints two members from its leading party and one member from the main opposition party to the Joint Committee, which helps to depoliticise LGSS. This arrangement allows public bodies to transfer the management of their services without the need for expensive tendering and was used as an alternative to setting up a Teckal company.

5.105 Cost savings and the net operating surplus from the partnership arrangements are divided at the end of each year on an equal basis between the two authorities.

5.106 In its first year of operation LGSS made ongoing savings of £3.79 million (4.6% of the cost base), largely through the consolidation of management positions and economies of scale through integration of services and procurement efficiencies. Further savings were delivered through integration of teams beyond senior and middle management.

5.107 Annual property savings of £936,000 were forecast as a result of falling staff numbers and improved space utilisation, while ICT savings of £3 million per annum resulted from the reprocurement of the Cambridgeshire IT network.

5.108 The above savings were delivered with no detriment to service standards with customer satisfaction increasing from 89% to 90% in the first year.

5.109 Opportunities for further savings were identified as a result of:

- Business process transformation, including further service integration, convergence and standardisation
- Cultural integration and development
- New technology.

5.110 Other non-financial benefits identified include:

- Improved operational resilience.
- The ability to deliver some specialist services in-house rather than having to procure them externally.
- Improved staff motivation with greater opportunity for career development.
- The opportunity for staff to learn from each other's experiences.
- A wider pool of resource and expertise that can be made available to third parties at public sector rates.

5.111 Milton Keynes Council became the third full partner and co-owner of LGSS in 2016, which was by that time supporting a number of different customers including: local authorities, health and social care organisations, the emergency services, arm's length management companies, schools and academies.

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- 5.112 It was a clear intent from the outset that LGSS would provide services to other public sector entities and that positioning LGSS as 'by the public sector, for the public sector' would help attract third parties that might be cautious about contracting with private sector organisations. The intention was that all savings generated would be invested back into the public purse for the benefit of front line services. LGSS had some success in selling services to other local authorities including Northampton Borough Council and Norwich City Council.
- 5.113 Unfortunately, LGSS was badly affected by the financial collapse of Northamptonshire Council in 2018. A government report into the financial difficulties at Northamptonshire County Council uncovered significant issues in relation to LGSS, suggesting that: *"the scope of services within LGSS included service areas where there was no demonstrable evidence that these services benefited from any sharing"*.
- 5.114 This view was echoed in a Cambridgeshire County Council report: *"It is the view of all the partners that this [the government report] is correct. It would appear that service areas were included within the scope of LGSS simply to increase the financial turnover of the organisation. Many service areas such as Democratic Services, Finance and HR business partners, and operational IT simply support the organisations that they work in. There is no sharing of skills or resources and therefore the only benefit that is derived is through areas of significant procurement - the same outcome of which can be delivered without a shared service offer."*
- 5.115 As a result of this review, LGSS is expected to cease to operate as a stand-alone organisation, but will continue to provide shared transactional functions where there are clear operational and financial advantages, with the other services being brought back in house. Equally, the financial arrangements for the shared service will be reformulated to ensure that the costs to each partner accurately reflects the value they obtain from it.
- 5.116 Max Caller, the inspector appointed by the government to probe what went wrong in Northamptonshire, criticised the way LGSS had been used, and said in his report: *"There appears to be little strategic capacity for strategic thinking on support service within the council with the expectation that is it discharged by staff in LGSS. That could work if the council had strong commissioning, but that is not apparent."*
- 5.117 LGSS Law is not part of these changes having been set up as a social enterprise separate from the original LGSS in 2015. However, LGSS Law had also suffered from significant problems, including: transparency issues; confused business planning and pricing; poor performance; and excess costs. Significant resources had been invested in an aborted merger with three London Councils - consequently, it filed a £1.2m loss in 2018/19.
- 5.118 It has since seen the introduction of new leadership. As a result, the organisation generated a six figure profit within 2019/20 and was praised by Lexcel Legal Practice Quality Mark inspectors who described the practice as 'well run', 'well managed' and should be 'highly commended.'

Proposals

- 5.119 This report highlights some of the key benefits that can be derived from shared service agreements, which are often as much about improving service resilience, flexibility and quality of service, as financial savings.
- 5.120 However, it also identifies some of the challenges and risks associated with setting up new agreements or maintaining established shared services. Issues with ICT systems are amongst the most commonly cited barriers to setting up new shared services, including the availability and usage of common systems. Also, communication and staff engagement is widely acknowledged as another critical area for success.
- 5.121 It is interesting to note that even where there may be a sound business case on paper, the decision to enter into a shared service agreement may also be affected by political considerations. This is particularly notable in respect to Planning.
- 5.122 For established shared service arrangements, there are numerous examples of where business cases are affected by external factors, such as changes to the wider economy, government funding, the legislative framework, the competitive environment, or technology, as well as changes in circumstances of the partner organisations themselves. This highlights the need for business cases to be subjected to sensitivity testing and scenario forecasting. It also suggests that operating models should be regularly reviewed and that robust and open systems of governance are needed to ensure appropriate and ongoing oversight and review.
- 5.123 The programme of New Ways of Working reviews previously included a section on alternative delivery models, which included consideration of the potential for shared services. However, this was only a small part of the review process and it is understood that this has been dropped entirely from the more recent reviews.
- 5.124 Consideration of alternative delivery models was considered as part of the NWoW review of Public Protection and Culture services. This also covered many of the issues that would potentially be picked up by OSMC, including issues in relation to the need to improve governance and transparency.
- 5.125 There is some evidence that services are continuing to review and challenge established shared service agreements outside of the NWoW process where they feel that they are no longer effective or represent value for money, but this may be rather ad hoc in nature.
- 5.126 It may be beneficial to have a strategy and a systematic consideration of assessing and deciding on sharing opportunities, potentially as a component of the Corporate Programme due to the transformational nature of such initiatives. Ideally, this should be done independently to avoid internal bias. However, it should be noted that the process of conducting a review of the potential for sharing services is very resource-intensive and can be disruptive to the services involved.
- 5.127 The New Ways of Working programme could potentially provide this, but previous reviews appear to have been relatively light-touch in relation to this alternative delivery models and in particular shared services options, and it is difficult to see how this could be achieved without additional resources.

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- 5.128 There is good evidence that working is ongoing across the Council to explore different ways of working, including shared services. It may therefore be appropriate to have a formal policy on shared services, and to undertake an initial sifting exercise to identify areas with the greatest potential to deliver benefits, and to identify potential partners.
- 5.129 For existing shared service agreements, reviews should be undertaken before the end of the contract period. Where available, this should utilise existing governance arrangements to consider alternatives and agree a preferred solution.
- 5.130 There remains a clear role for OSMC to maintain a watching brief, both on the existing shared service arrangements as well as on any new process set up to look at shared services. This could be achieved by way of annual updates.

6 Other options considered

6.1 Other options considered include:

- (a) Do nothing – lessons learned from existing shared service arrangements elsewhere suggest that this should not be considered as an option.
- (b) Set up a task group to review one or more of the existing shared service agreements.

7 Conclusions

- 7.1 The recommendation is for OSMC to note the report and to maintain a watching brief on existing partnerships, which would be in addition to any governance arrangements already established for particular shared services.
- 7.2 However, it is recognised that the current COVID-19 pandemic has created an unprecedented set of challenges for all services but particularly for Public Protection Services, which makes it more difficult to assess 'business as usual' performance. Also, because Public Protection staff are currently heavily involved in the response to COVID and it would therefore be an unwelcome distraction from this essential work to respond to any scrutiny review at this time. For this reason, annual updates are considered to be sufficient.

8 Appendices

- 8.1 Appendix A – Summary of Existing Shared
- 8.2 Appendix B – BCS/PPP/JEPU New Ways of Work Review Recommendations (Part II)

Corporate Board's recommendation

Report approved (15 September 2020)

Background Papers:

'Shared services: costs spared? An analysis of the financial and non-financial benefits of local authority shared services' (2013), Local Government Association

Subject to Call-In:

Yes: No:

- The item is due to be referred to Council for final approval
- Delays in implementation could have serious financial implications for the Council
- Delays in implementation could compromise the Council's position
- Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months
- Item is Urgent Key Decision
- Report is to note only

Wards affected: All wards

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Document Control

Document Ref:		Date Created:	
Version:		Date Modified:	
Author:			
Owning Service			

Change History

Version	Date	Description	Change ID
1			
2			

Summary of Existing Shared Service Agreements

Service area	Partner(s)	Start & End Date	Business Case	Value of Service (2019/20)
Landfill Site, London Road, Bracknell	Six Berkshire authorities	Since 1998. No end date identified.	To provide a cost effective landfill site Site is now dormant with management costs split between the six authorities.	Total cost is £276,790 per annum WBC share is £50,763 per annum
Landfill site, Lower Way Tip, Thatcham	Six Berkshire authorities	Since 1998. No end date identified.	To provide a cost effective landfill site. Site is now dormant with management costs split between the six authorities.	Total cost is £10,000 per annum WBC share is £1884 per annum
Berkshire Adoption Advisory Service – which became Adopt Berkshire. To deliver the statutory duties of Adoption to children, adopters and birth family members.	Five Berkshire authorities	Since 1998. Ended November 2017	To secure cost efficiencies and better service quality	N/A
Sensory consortium service – to provide a specialist education support service to support children and young people with a hearing and/or visual impairment from diagnosis to entry into the workplace.	Six Berkshire authorities	Since 1998. Current agreement ??????	To secure cost efficiencies.	Total cost is £1.473 million per annum WBC share is £227,571 per annum
Coroner Service	Six Berkshire authorities	Since 1998. No end date identified.	To secure cost efficiencies	Total cost is £1.774 million per annum WBC share is £288,128 per annum

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Service area	Partner(s)	Start & End Date	Business Case	Value of Service (2019/20)
Lord Lieutenant – appointed by the Queen to be her personal representative in Berkshire. Assisted by the Vice Lord Lieutenant and by Deputy Lieutenants (currently 27 in Berkshire)	Six Berkshire authorities	Since 1998. No end date identified.	To provide Lord Lieutenancy function for Berkshire	Total cost is £67,416 per annum WBC share is £12,121 per annum
Urban Traffic Management and Control System	Currently four of the Berkshire authorities	Since 1998. Currently negotiating with partners and suppliers to implement a new system	To secure a more cost effective and consistent service	Total cost is £185,500 per annum WBC share is £57,353 per annum.
Winter Maintenance Forecasting – to provide weather forecast for winter service.	Six Berkshire authorities (West Berkshire as lead authority)	Since 1998. Current agreement extended and will be retendered in advance of 2021/22 season.	To secure a more cost effective and consistent service	Total cost is £48,307 per annum WBC share is £17,000 per annum
Archives – to fulfil the statutory duty for care of historic public records.	Six Berkshire authorities	Since 1998 15 year legal agreement was renewed in 2013 and is due to expire on 31 March 2028	To allow the Berkshire authorities to fulfil their statutory duty for the care of historic public records.	Costs are split according to Council Tax base uplifted by 6% which is retained by Reading to cover hosting costs. Total cost is £36,000 per annum WBC share is £6,664 per annum
Modern Records – to provide a Records Service to manage the records which existed prior to the dis-aggregation of Berkshire County	Six Berkshire authorities	Since 1998. No end date identified.	To provide a single service for records relevant to social care and personal data that has a	Total cost is £187,228 per annum

Shared Services

Service area	Partner(s)	Start & End Date	Business Case	Value of Service (2019/20)
Council and the establishment of the Archive Service.			long 'closed file' life.	WBC share is £33,661 per annum
Berkshire Equipment Store – to purchase equipment for children and adults with disabilities.	Six Berkshire authorities and the Clinical Commissioning Groups	Since 2004. Current contract expires March 2024	To secure cost efficiencies.	Total cost is £9.91 million WBC share is £1.031 million per annum
Library Management System – computerised catalogue and loans record system for Borough libraries stock and customers	13 South East and London public library authorities in membership of the SELMS consortium.	Since 2006. Current contract was awarded in 2017 and expires in July 2022, with possible extension to July 2024	To provide a better and more cost effective service to residents.	Total cost unknown WBC share is £9,120 per annum
Emergency duty team – to provide out of hours service for adults and children's social care services	Six Berkshire authorities	Since 2012. Current contract was awarded in August 2020 and expires in July 2027	To secure cost efficiencies.	Total cost is £1.6 million per annum WBC share is £219,920 per annum
Berkshire Public Health – to share a Director of Public Health, Contracts and Shared Service Team	Six Berkshire authorities	Since 2012.	To secure cost efficiencies and better value in contract monitoring.	Total cost is £7,741,386 per annum WBC share is £1,022,884 per annum
Childcare Lawyers – to provide specialist legal services for children's and adults social care services	Six Berkshire authorities	Since 2013. No end date identified.	To secure cost efficiencies.	Total cost is £5,813,875 per annum WBC share is £550,000 per annum This is a variable cost due to being demand led

Shared Services

Service area	Partner(s)	Start & End Date	Business Case	Value of Service (2019/20)
Adopt Thames Valley (formerly Adopt Berkshire)	Seven local authorities who combine to form one adoption agency. The lead authority is Oxfordshire.	Since December 2018. No end date identified.	To secure cost efficiencies and better service quality. To be legislatively compliant through a 'regional adoption' approach.	Total cost is £4,620,100 per annum WBC share is £291,00 per annum The cost is variable because the numbers of children adopted each year influences cost
Building Control Solutions	Royal Borough of Windsor & Maidenhead, Wokingham Borough Council and West Berkshire Council	Since 2015, with West Berks joining in July 2016. 5 year term	Shared resources enable service improvements, resilience and a more flexible, customer focused service.	Total cost is £XX,XXX per annum WBC share is £XX,XXX per annum
Public Protection Partnership - a fully integrated service incorporating Environmental Health, Licensing and Trading Standards	Bracknell Forest Council, West Berkshire Council, and Wokingham Borough Council	Since 2017 10 year term	To secure cost efficiencies and better service quality.	Total cost is £3,715,780 per annum WBC share is £1,486,020 per annum
Joint Emergency Planning Unit	Bracknell Forest Council, Royal Borough of Windsor & Maidenhead, West Berkshire Council	Since 2018 5 year term	Provides enhanced resilience and effectiveness	Total cost is £256,470 per annum WBC share is £100,021 per annum

2020/21 Performance Report Quarter One

Committee considering report:	Overview and Scrutiny Management Committee on 6 October 2020
Portfolio Member:	Councillor Jo Stewart
Date Portfolio Member agreed report:	24 August 2020
Report Author:	Jenny Legge/Catalin Bogos
Forward Plan Ref:	EX3883

1 Purpose of the Report

- 1.1 To provide assurance that the core business and council priorities for improvement measures ([Council Strategy 2019-2023](#)) are being managed effectively.
- 1.2 To highlight successes and where performance has fallen below the expected level, present information on the remedial action taken, and the impact of that action.

2 Recommendations

- 2.1 To note the report, including the following recommendations approved by the Executive:
 - a. To note progress and achievements.
 - b. To review the appropriateness of any remedial actions taken to improve performance, in particular for:
 - Non domestic rates collected as percentage of non domestic rates due

3 Implications and Impact Assessment

Implication	Commentary
Financial:	To be highlighted and managed by individual services.
Human Resource:	To be highlighted and managed by individual services.
Legal:	To be highlighted and managed by individual services.

Risk Management:	To be highlighted and managed by individual services.			
Property:	To be highlighted and managed by individual services.			
Policy:	To be highlighted and managed by individual services.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		x		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		x		
Environmental Impact:		x		
Health Impact:		x		

ICT or Digital Services Impact:		x		
Council Strategy Priorities or Business as Usual:	x x			Supports all priorities and core business of the Council Strategy 2019-2023.
Data Impact:		x		
Consultation and Engagement:	The information provided for this report, has been signed off by the relevant Head of Service / Service Director and Portfolio Holder.			

4 Executive Summary

- 4.1 The measures shown in this report, monitoring performance from April to June 2020, have been greatly affected by the restrictions introduced by the government to manage Covid-19, starting with the national lockdown on 23 March 2020. However, prompt response at local level ensured that the strong performance of the Council's services has been maintained.
- 4.2 This paper provides updates for each component of the Council Strategy Delivery Plan:
- The influencer (external context) measures,
 - Targeted measures for each core business area,
 - Targeted measures for each priority for improvement and
 - Corporate health (internal context) measures.
- 4.3 Economic activity and employment **influencer measures** data, produced at national level, is not yet available for Q1. National news about companies and stores closures would suggest that there will be an increase in unemployment going forward. However, the Council has been working hard to support local businesses, for example in distributing government grants and offering advice and support on how to re-open safely to ensure any impact on local economy is minimised.
- 4.4 Inevitably, retail businesses have been greatly affected, even those with an online presence. A large institution, John Lewis, that was considering performance challenges at local level even before Covid-19, has announced that it will be closing the Newbury Store. Contractual arrangements are being progressed with a new tenant.
- 4.5 The majority of performance measures reflecting the **core business areas** are however on track to achieve the targets for this year. As an exception, the following area has

been impacted by the Council's conscious measures put in place to support local businesses:

- Non domestic rates collected as percentage of non domestic rates due

- 4.6 The Council's strong performance position is further confirmed when performance is compared with other local authorities. The majority of the Council's measures rank in the first and second quartiles. It is also clear that this already positive relative position will continue to improve in many areas, as performance improves in activities such as the speed with which decisions are made on Housing Benefit Claims and determinations made on planning applications.
- 4.7 The Council Strategy Delivery Plan includes the outcomes for our **priorities for improvement**, that are being sought often over a four year period and therefore is a more challenging area and performance is mixed. The majority of measures are however on track.
- 4.8 The Council's **corporate health indicators** highlight an end of Q1 forecast under spend of £590k, (full details are available in the quarterly financial report), an improved position regarding sickness absence and a stable staff turnover.

5 Supporting Information

Influencer measures

Refer to Appendix A for more detail

- 5.1 Non-targeted measures of volume are monitored to provide context to the work being carried out across council services.
- 5.2 In the area of economy, the medium and long term effects of Covid-19 are yet to emerge and depend on the restrictions put in place to manage the situation and the local and regional recovery plans. At Q1 the influencer measures reflect the immediate impact of Covid-19 (from April to June 2020). However, the Council has put in place prompt measures to support local economy and mitigate local impact.
- 5.3 The economic activity rate (chart 1) and unemployment rate (chart 2) appear to be marginally increased at Q4 2019/20 (Q1 data is not yet available). The number of empty business rated premises continue to rise but at a lower rate compared to previous quarters or the average increase of last year (charts 7 and 8). However, it is probable that due to travel restrictions, online retail sales will increase, and if this translates into a change in consumers' behaviour, this will in turn affect the need for a physical presence for some businesses.
- 5.4 As all benefits become subsumed by Universal Credit, the number of claimants will rise (charts 5 & 6). In addition, a broader span of people are required to look for work in comparison to Jobseeker's Allowance. Therefore, this measure can't be used to monitor unemployment, but may possibly give an indication of low income.
- 5.5 As expected, footfall has greatly reduced (chart 9), as residents were told to stay at home and working from home was encouraged, where possible. Parking charges (chart

- 10) were suspended to help support key workers, and only reinstated from 1 June 2020. This loss of income will hopefully be recovered from central government.
- 5.6 The number of planning applications (chart 13) has dropped significantly by 31.3% when compared to Q1 2019/20. However, this may level off as the building industry restarts in earnest.
- 5.7 The measures to limit the spread of Covid-19, for example through schools and retail business closures and asking the population to 'stay at home, where possible', have also affected the areas of crime and social care as described in the following points:
- 5.8 Following the national trend, reported crime has reduced by 24.3% compared to Q1 2019/20 (chart 15), this is likely to be due in part to the closure of bars and clubs, lack of large public events, and protection of homes due to more people staying at home.
- 5.9 Unfortunately, our district is also following the national trend with a rise in reported cases of domestic abuse of 38.6%, compared to Q1 2019/20. In response to this increase, we as a Local Authority together with partner organisations have made sure that communications to our residents and anyone who is affected by this situation have been clear on what actions they can take and where to go to find help and support.
- 5.10 Referrals to Children and Family Services were reduced across the board, as these mainly come from schools, early year's providers and Family Hubs none of whom were fully operational during April – June 2020.
- 5.11 The overall number of people receiving a long term service (LTS) from Adult Social Care (chart 31) dropped significantly by 2.7%, compared to Q1 2019/20. This was due to a high number of deaths and over 50 cases being in interim solutions due to Covid-19 i.e. not yet receiving LTS.
- 5.12 There is a reduction in the number of new adult safeguarding enquiries (chart 30) by 24.8%. The safeguarding team has been able to focus on ensuring a thorough triage process because of increased staffing resource (2 additional social workers) in the team.
- 5.13 The number of households in temporary accommodation (chart 35) is stable. The figure does not include the Covid-19 emergency cohort of 60 individuals as per statutory reporting methodology to Central Government. The methodology requires that this cohort is recorded separately as a result of Covid-19 displacement emergency cases.
- 5.14 The expected increase in the number of households on the Common Housing Register (chart 33) has occurred with a rise of 30.1% on Q1 2019/20. There is still an expectation of a further rise in demand, if residents are affected by possible job losses due to Covid-19 and therefore have asked to join and access the Housing Register. In anticipation of the rise in demand, we've streamlined the process for applying for financial assistance e.g. accessing discretionary housing payments. We have held meetings with a broad range of stakeholders and partners to make them aware of the available assistance, for example, housing and voluntary sector partners. Internally, we are continually auditing new and existing cases to assess if there is a requirement for additional support as part of extensive prevention work. For example, early discussions with landlords, support with seeking employment opportunities, financial management and the use of other

resources in the voluntarily sector such as, CAP (Christians against Poverty) and upskilling staff.

- 5.15 As venues were closed across the district and residents had to stay at home, the opportunities for volunteering in library and countryside activities were curtailed (charts 38-40). It is hoped that the level of community involvement in these services will recover as restrictions are eased. Where possible, the services have come up with innovative solutions, such as click and collect library books, online book clubs and story-time. However, the Residents Survey results show that one quarter of respondents have volunteered during Covid-19 and that 78% of them intend to continue volunteering. This would suggest that West Berkshire communities, with coordination from the Council's Community Hub, have mobilised and contributed hugely to the efforts to respond to the coronavirus crisis.
- 5.16 The number of permanent carriage repairs completed has dropped by 10.6%. As less drivers have been using the road, there have been fewer cases of damage to the road being reported to the council.
- 5.17 The number of highways related third party claims received (chart 44) has dropped dramatically compared to last quarter, as there have been far fewer vehicles on the road. Of the 35 claims made, 23 have been successfully defended. The remaining 12 are pending resolution.
- 5.18 As predicted last quarter, the number of flytips reported has risen sharply by 35.2% (chart 46), most likely due to the closure of the Household Waste Recycling Centre (HWRC), the perceived lack of monitoring of sites and despite the fact that the council's contractor was able to maintain the full kerbside collection services throughout the crisis period. The HWRC has now re-opened using a booking system, which has received great feedback in both the booking system and the services provided by the staff at the recycling centre. An awareness campaign has been launched to make residents aware that they are responsible, and could be fined, if a removal service flytips their waste. It is likely therefore that the number will reduce over future quarters.

Core Business Activities

Refer to Appendix B for Exception Reports

Please note:

R (red): year-end target will not be met

A (amber): behind schedule, but expected to achieve year-end target

G (green): year-end target will be met.

DNA: Data not available

DNP: Data not provided

Refer to Appendix C for technical conventions

2020/21 Performance Report Quarter One

Category	Measure	RAG	2020/21		
			Q1 RAG Outturn	Target	Notes
Protecting our children	Ofsted rating of at least Good for our Children and Family Service	G	Good - Pending outcome of next inspection	Good	Performance against this indicator cannot be reported until such time as WBC receive an OFSTED Inspection. OFSTED Inspections are currently on hold due to Covid-19.
	% of Children in Care where the child has been visited in the past 6 weeks (or 12 weeks if this is the agreed visiting schedule)	A	42.0%	≥95%	Q1: 63 / 150 Result based on statutory visits which have to be face-to-face. When including visits carried out via video or telephone call (due to Covid-19), performance rises to 96%.
Supporting education	% of applications receiving one of their three preferences for West Berkshire children (Primary Admissions)	G	98%	≥95%	
	% of applications receiving one of their three preferences for West Berkshire children (Secondary Admissions)	G	98%	≥95%	
Collecting your bins and keeping the streets clean	% of household waste recycled, composted and reused	G	51.5% (P)	≥49.5% (≥ 2018/19 outturn)	Q1 2020/21 data is provisional. All results are subject to change once validated by DEFRA after Q4
Providing benefits	Average number of days taken to make a full decision on new Housing Benefit claims	G	18.88	≤20 days	
Collecting Council Tax and	Council Tax collected as a percentage of Council Tax due	G	27.9%	≥98.8%	For comparison, Q1 2019/20 = (33,415,463/118,304,645) 28.3%

2020/21 Performance Report Quarter One

Category	Measure	RAG	2020/21		
			Q1 RAG Outturn	Target	Notes
Business rates	Non domestic rates collected as a percentage of non domestic rates due	R	27.3%	≥99%	For comparison, Q1 2019/20 = (30,558,961/89,903,445) 34.0%
Ensuring the wellbeing of older people and vulnerable adults	% of WBC provider services inspected by Care Quality Commission (CQC) and rated as good or better	R	66.7%	100%	Q1: 4/6.
	% of financial assessments actioned within 3 weeks of referral to the Financial Assessment & Charging Team	G	100.0%	≥98%	Q1: 441 / 441
Planning and housing	% of planning appeals won	A	55.6%	≥65% (England average)	Q1: 5 / 9
	% of 'major' planning applications determined within 13 weeks or the agreed extended time	G	100.0%	≥90% (England average)	Q1: 18 / 18
	% of 'minor' planning applications determined within 8 weeks or the agreed extended time	G	94.0%	≥86% (England average)	Q1: 78 / 83
Supporting local employers	Number of top 10 business sector employers in 2018/19 retained in the district	G	10	≥10	

Please note:

R (red): year-end target will not be met

A (amber): behind schedule, but expected to achieve year-end target

G (green): year-end target will be met.

2020/21 Performance Report Quarter One

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DNP: Data not provided

Refer to Appendix C for technical conventions

5.19 Performance for the majority of core business activities has been on target.

5.20 In areas of service where the number of statutory, face-to-face visits carried out in a set timescale are targeted, for example in Children and Family Services, the outturn in Q1 has been impacted, as this activity has not been possible under Covid-19 restrictions. However, the service is monitoring mitigating measures, such as contact by telephone and video calls, which show the percentage of Children in Care who have been contacted in the last six weeks rises to 96%, for example, compared to 42% seen face-to-face.

5.21 The amount of non-domestic rates or “Business Tax” collected has been greatly reduced as many businesses have closed since March 2020, due to Covid-19. This resulted in Direct Debit payments stopping in April and May. The council has distributed government relief to eligible businesses, however the pandemic has taken a toll.

5.22 For provider services in care homes, Covid-19 remains their focus. Action plans developed and implemented for Walnut Close and Birchwood Nursing Home have also benefited the other homes. Birchwood is scheduled for its next inspection in November 2020. The Care Quality Commission’s virtual assurance checks resulted in no concerns being raised.

5.23 The percentage of planning appeals won may have been affected by the delay Covid-19 has wrought on the timeliness of decisions being made by the Planning Inspector. The number of appeals is relatively small and therefore a quarterly total would be more volatile than a yearly figure.

National Benchmarking (April 2017- March 2019)

The latest available benchmarking data was reported at Quarter 4.

Please note for RAG outturn for the quarter:

R (red): year-end target will not be met

A (amber): behind schedule, but expected to achieve year-end target

G (green): year-end target will be met.

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Refer to Appendix C for technical conventions

2020/21 Performance Report Quarter One

Category	Measure	2017/18 National Qtile/Rank	2018/19 National Qtile/Rank	2020/21 Target	2020/21	
					RAG	Q1 RAG Outturn
Supporting education	% of maintained schools judged good or better by Ofsted	2nd Qtile Rank 46/152 (August) (YE: 94.4%)	2nd Qtile Rank 38/152 (August) (YE: 95.7%)	TBC	-	95.7%
	% of applications receiving one of their three preferences for West Berkshire children (Primary Admissions)	2nd Qtile Rank 62/152 (YE: 97.8%)	2nd Qtile Rank 51/152 (YE: 98.4%)	≥95%	G	98%
	% of applications receiving one of their three preferences for West Berkshire children (Secondary Admissions)	1st Qtile Rank 33/152 (YE: 97.9%)	1st Qtile Rank 27/152 (YE: 97.9%)	≥95%	G	98%
Maintaining our roads	% of the principal road network (A roads) in need of repair	2nd Qtile Rank 55/145 (YE: 3%)	1st Qtile Rank 17/146 (YE: 2%)	Top 25% nationally	Annual	Annual - reports at Q4
Collecting your bins and keeping the streets clean	% of household waste recycled, composted and reused	1st Qtile Rank 24/150 (YE: 51.5%)	1st Qtile Rank 31/148 (YE: 50.7%)	≥49.5% (≥ 2018/19 outturn)	G	51.5% (P)
Providing benefits	Average number of days taken to make a full decision on new Housing Benefit claims	3rd Qtile Rank 77/122 (YE: 19.54)	2nd Qtile Rank 54/122 (YE: 19.54)	≤20 days	G	18.88
Collecting Council Tax and Business rates	Council Tax collected as a percentage of Council Tax due	1st Qtile Rank 6/149 (YE: 98.8%)	1st Qtile Rank 6/123 (YE: 98.5%)	≥98.8%	G	27.9%
	Non domestic rates collected as percentage non domestic rates due	2nd Qtile Rank 55/151 (YE: 99.3%)	3rd Qtile Rank 82/151 (YE: 98.4%)	≥99%	R	27.3%

Category	Measure	2017/18 National Qtile/Rank	2018/19 National Qtile/Rank	2020/21 Target	2020/21	
					RAG	Q1 RAG Outturn
Ensuring the wellbeing of older people and vulnerable adults	% of WBC provider services inspected by Care Quality Commission (CQC) and rated as good or better		England overall = 84%	100%	R	66.7%
Planning and housing	% of 'major' planning applications determined within 13 weeks or the agreed extended time	4th Qtile Rank 102/122 (YE: 78.6%)	4th Qtile Rank 108/122 (YE: 78.1%)	≥90% (England average)	G	100.0%
	% of 'minor' planning applications determined within 8 weeks or the agreed extended time	4th Qtile Rank 108/124 (YE: 74.6%)	4th Qtile Rank 102/123 (YE: 77.5%)	≥86% (England average)	G	94.0%

Please note for RAG outturn for the quarter:

R (red): year-end target will not be met

A (amber): behind schedule, but expected to achieve year-end target

G (green): year-end target will be met.

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Refer to Appendix C for technical conventions

5.24 In the majority of areas, we compare favourably with our peers in 2018/19, and in others we have improved our position on 2017/18.

5.25 However, in two areas we remain in the lowest quartile. The first is in the CQC rating of our provider services was slightly below (83.3% in 2018/19) the national average of 84%. In practice, this showed that in 2018/19 one out of six settings was not rated as highly as desired. At the end of 2019/20, the % of our provider services rated good or better was 66.7%. An improvement plan has been implemented and it is expected that our position will improve.

5.26 In terms of planning applications, the target in 2017/18 was set at 60% for major and 65% for minor applications. As part of the New Ways of Working review in 2018/19, it was noted that targets had been set below similar planning authorities, and they were increased to match the national averages of 88% and 85% respectively at Q2 2018/19. By Q4 2018/19 the service was achieving 93.3% and 96.3%, but this was not enough to bring up the year-end figure and move us into the third quartile. For comparison, 23 authorities were reporting 100%, and the margins between the first and third quartile

were slim. Performance at Q1 2020/21 is much improved and it is expected that this will positively affect our relative position.

Council Strategy Priorities for Improvement:

Refer to Appendix B for Exception Reports

Table 1. Number of measures by priority of improvement and performance status

Priority for Improvement	RAG Status			
	Green	Amber	Red	Annual
Ensure our vulnerable children and adults achieve better outcomes	5	0	1	1
Support everyone to reach their full potential	3	0	0	0
Support businesses to start develop and thrive in West Berkshire	1*	0	0	0
Develop local infrastructure including housing to support and grow the local economy	5	0	0	4
Maintain a green district	7	0	0	0
Ensure sustainable services through innovation and partnerships	2	0	0	0

* Additional measures being agreed by the Economic Development Board for reporting starting with Q2 2020/21.

Note: Red (year-end target will not be met), Amber (behind schedule, but expected to achieve year-end target), Green (year-end target will be met), Annual (data reported only once this year and expected in other quarters)

Note: At Q4 a number of new performance measures were added as part of the development of the Council Delivery Plan.

Ensure our vulnerable children and adults achieve better outcomes

5.27 The Strategic Goal of developing and adopting a new Early Help Strategy for Children's Social Care Early was approved in Q4 2019/20.

5.28 The Strategic Goal of agreeing and publishing a strategic framework to improve the employment opportunities of vulnerable people has been delayed due to competing priorities and the challenge of engaging with partners during Covid-19, and will be delivered by December 2020 instead of the initial target date of September 2020.

5.29 A funding bid to support the provision of apprenticeships within the council, who are disadvantaged and aged 16-25, which is funded through the apprenticeship levy was agreed in Q4 2019/20. The initiative has been delayed by Covid-19 however we are working with local businesses and partners to identify and explore opportunities through levy transfer as well as for suitable roles within the council teams. It is very important that the opportunities are suitable and offer a useful and challenging route into employment for this group of young people in our community. We are working to start enrolling apprentices in quarter 4 2020/21.

Support everyone to reach their full potential

- 5.30 Work has been delayed on the Strategic Goal of developing and adopting a prevention concordat for better mental health action plan with partners. It is expected, however that this will progress during the year and be achieved by the end of March 2021.
- 5.31 The Strategic Goal of develop and adopting a community wellbeing strategy was completed in Q4 2019/20.
- 5.32 The task of developing and adopting a community resilience index (Strategic Goal) has begun and is on track to be achieved by the end of 2020/21
- 5.33 The Strategic Goal of developing and adopting a community engagement strategy is in progress. A draft version has been drawn up and is progressing through the Executive timetable of meetings, where it will be considered by the Executive.
- 5.34 Attainment outturns for the academic year 2019/20 are not available as no assessments have taken place as schools were closed due to Covid-19.

Support businesses to start develop and thrive in West Berkshire

- 5.35 The Economic Development Strategy (Strategic Goal) was adopted on 30 April 2020. Following the impact of Covid-19 on businesses and employment, the recovery phase for the district over the next eighteen months, will mean that central government funding, innovative local approaches and close working with partners will be needed to aid businesses and residents. The Economic Development Board is working to agree performance measures and associated targets, which will be included in future reports. The Economic Development Strategy and delivery plan will be revised to reflect the actions required in light of Covid-19 impacts.
- 5.36 In addition to advice for businesses on how to re-open safely as restrictions lessened, the council distributed over £24.6m, from the Small Business Grants Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RHLGF), to almost 2000 local businesses, placing it in the top 10% of local authorities in the country by percentage of eligible businesses paid.
- 5.37 There is now a new Local Authority Discretionary Fund available, which will close when the council has distributed its allocation of £1.225m, on a first come first served basis. £43,000 in funding is also available (£1000 for each district councillor) to support local projects in towns and parishes.

Develop local infrastructure including housing to support and grow the local economy

- 5.38 The Strategic Goal of submitting a new Local Plan for examination is on track to be delivered by December 2022 and subsequent to that, so too is the infrastructure delivery plan.
- 5.39 The methodology and baseline data to produce a traffic model for an average journey time has not been possible during the lockdown. The Officers who would work with consultants on this area of work have been heavily involved in the response and recovery to Covid-19 for example by installing social distancing and active travel

measures. However, work is now in progress and the service is certain it will be in place for the Q2 reporting period.

5.40 The timetables for the Strategic Goals of developing and adopting new strategies for housing, leisure and culture have been delayed due to Covid-19, but are now back on track with re-profiled target dates.

5.41 Refurbishment of leisure centres in Hungerford, Newbury and Thatcham to offer a wider range of services will commence in 2022/23 (Strategic Goal).

Maintain a green district

5.42 The Strategic Goal of studying the feasibility and the cost and journey time benefits of installing infrastructure in Thatcham, has begun with discussions with suppliers of real-time sensors.

5.43 The Environment strategy has been approved and the service is on track to produce the delivery plan (Strategic Goal) as scheduled (December 2020).

5.44 The Strategic Goals of studying the feasibility of and carrying out cost benefit analysis for large scale afforestation and natural regeneration in the rural area and urban tree planting, are on track to be achieved by the end of March 2021.

Ensure sustainable services through innovation and partnerships

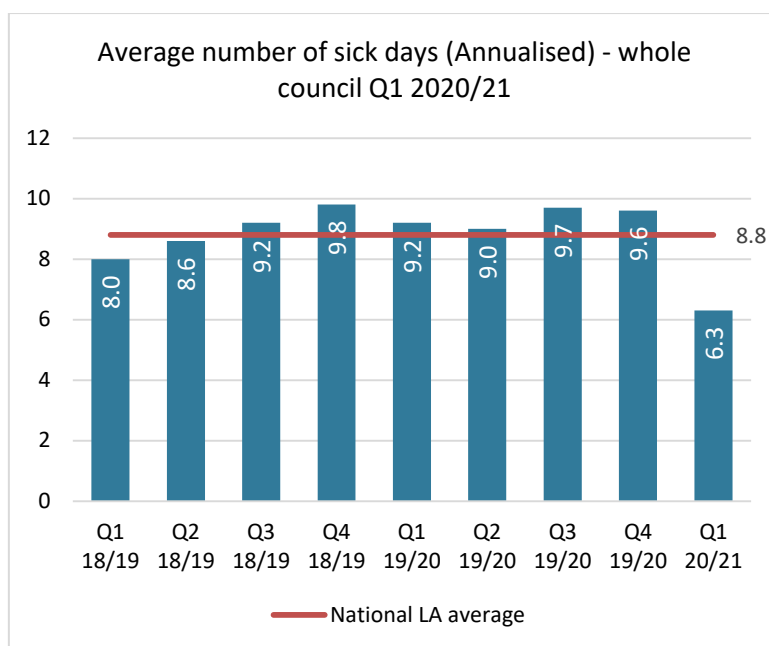
5.45 A primary care networks plan was agreed with the Clinical Directors of the (CCG) during Q4 2019/20 (Strategic Goal).

5.46 In recognition of the impact of Covid-19 on mental health and wellbeing, the Employee Assistance Programme scheduled to be commissioned later in the year was brought forward and made available to employees starting on the 1st July 2020.

Corporate Health

5.47 The Q1 financial position shows a strong budget management reporting a forecast under spend of £590k.

5.48 Covid-19 self-isolation days lost are not included in the sickness figures. These are days where staff are not working due to self-isolation and can not be recorded as sickness as this would trigger sick pay entitlements, which is not permissible under the Green Book and National Joint Council (NJC) for local government services guidance during Covid-19.



5.49 Prior to Q1, sickness levels had been slightly elevated, however perhaps due to lockdown, meaning children were away from school and with less interaction with colleagues and clients, the usual transmission of stomach bugs and common colds has not taken place. It may also be that staff have not reported mild sickness, as they were already working from home or off work.

5.50 The council has completed a staff survey to look at how staff have worked during Covid-19, the impact on services and team working and opportunities for the future. These are being considered as part of the Council’s review of its office accommodation as highlighted in its recovery strategy.

Proposals

Refer to Appendix B for Exception Reports

5.51 To note key achievements and success as detailed above.

5.52 To review the actions taken to address performance below expected levels with a focus on:

- Non domestic rates collected as percentage of non domestic rates due

6 Other options considered

None considered.

7 Conclusion

7.1 Quarter one results show that strong performance levels have been maintained and key services delivered to residents as part of the activities in the Core Business category.

7.2 Some of the improvement work that was underway for achieving the Priorities for Improvement was paused as a result of the need to respond quickly to Covid-19. Staff

reacted with innovation and commitment. As restrictions have eased, and focus has shifted to the recovery phase, for now, services have been able to recommence their work to deliver the council strategy.

7.3 Action plans are in place to address performance of the measures rated 'red' and the Executive is asked to review and approve these actions and to note the overall performance reported.

8 Appendices

8.1 Appendix A – Influencer Measures Dashboard

8.2 Appendix B – Exception Reports

8.3 Appendix C – Technical Conventions

Subject to Call-In:

Yes: No:

Officer details:

Name: Catalin Bogos
Job Title: Performance, Research and Risk Manager
Tel No: (01635) 519102
E-mail: Catalin.Bogos@westberks.gov.uk

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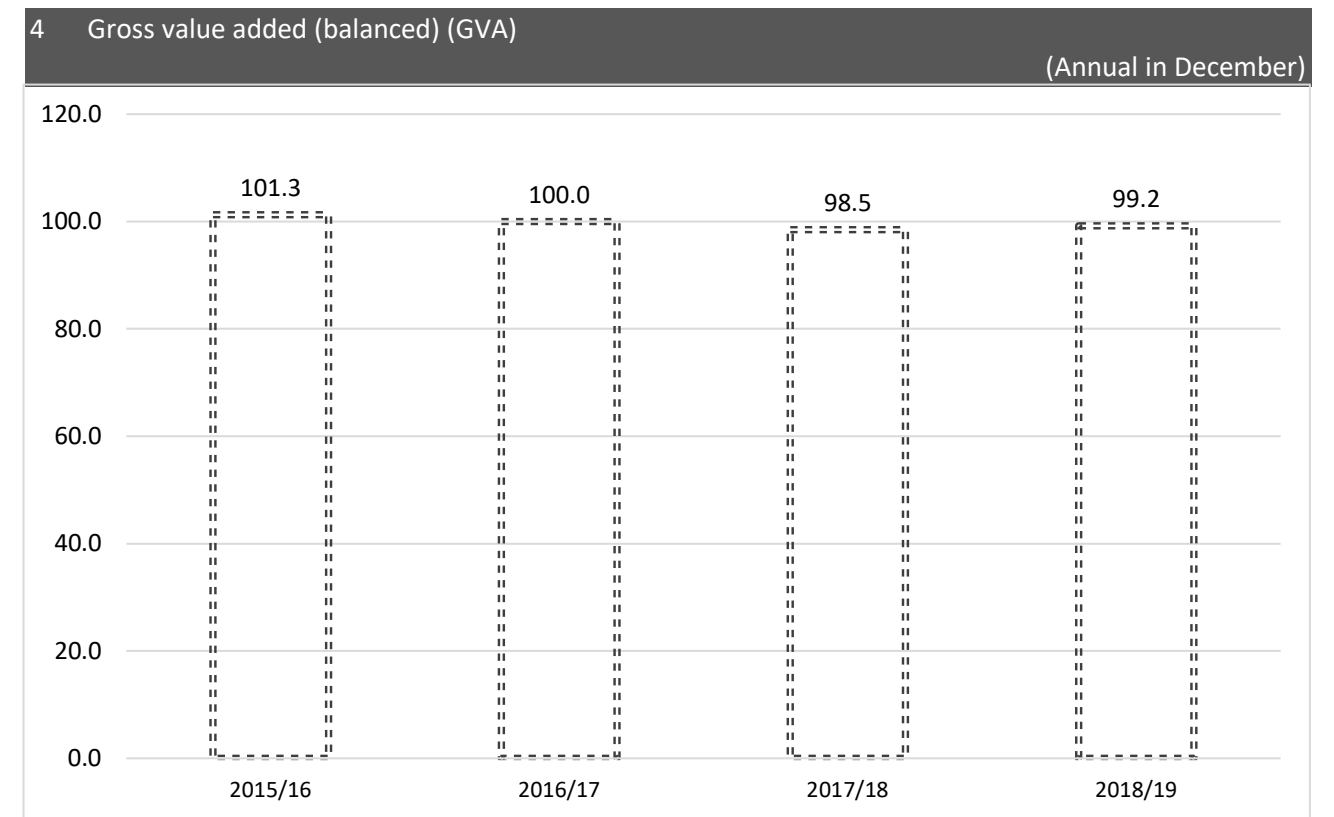
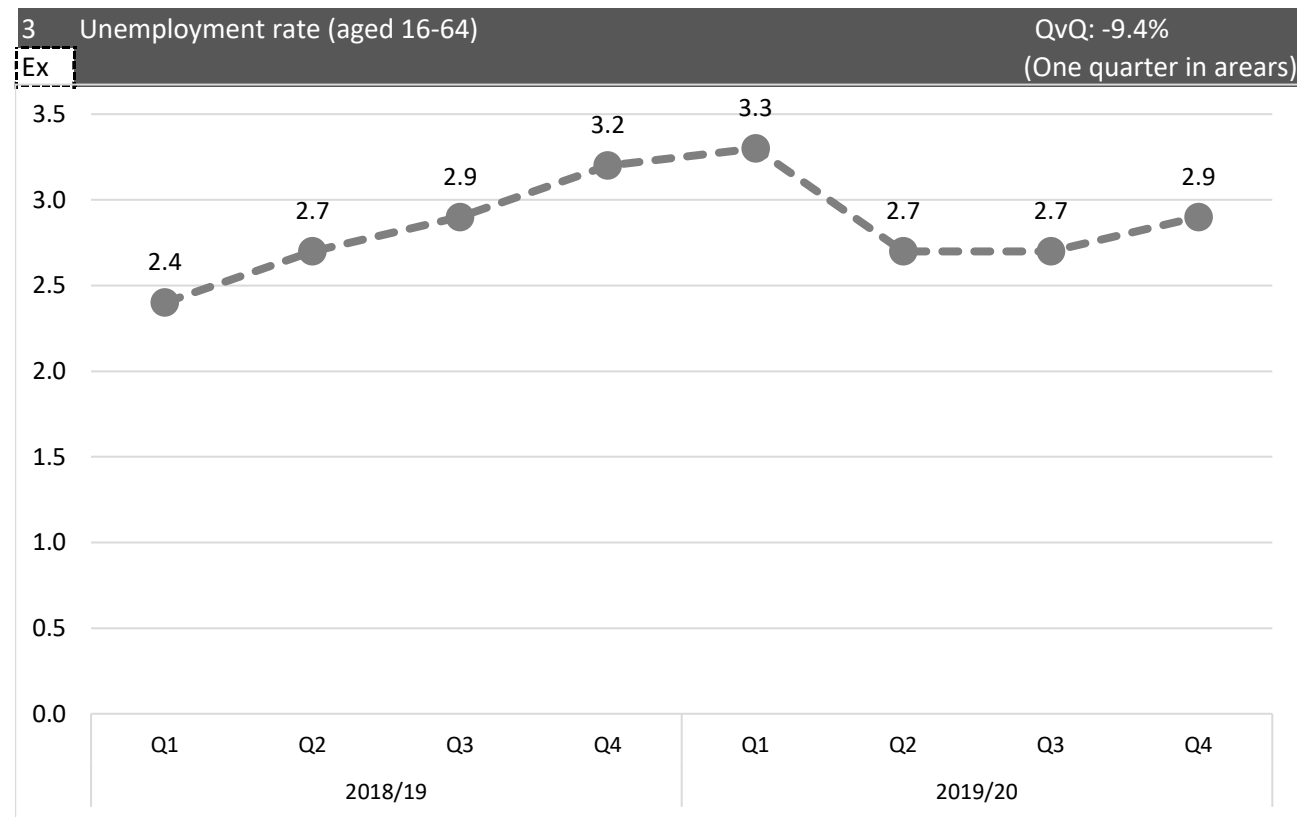
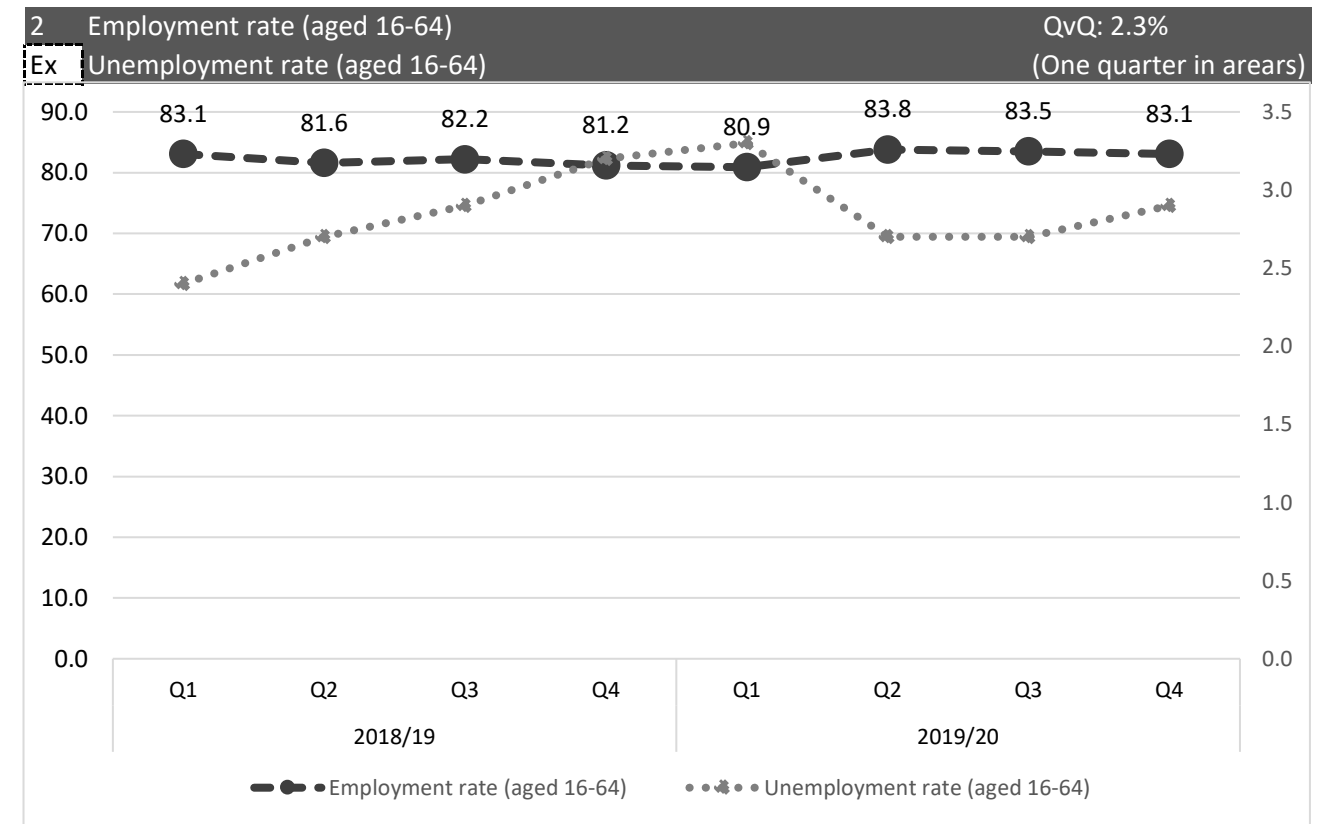
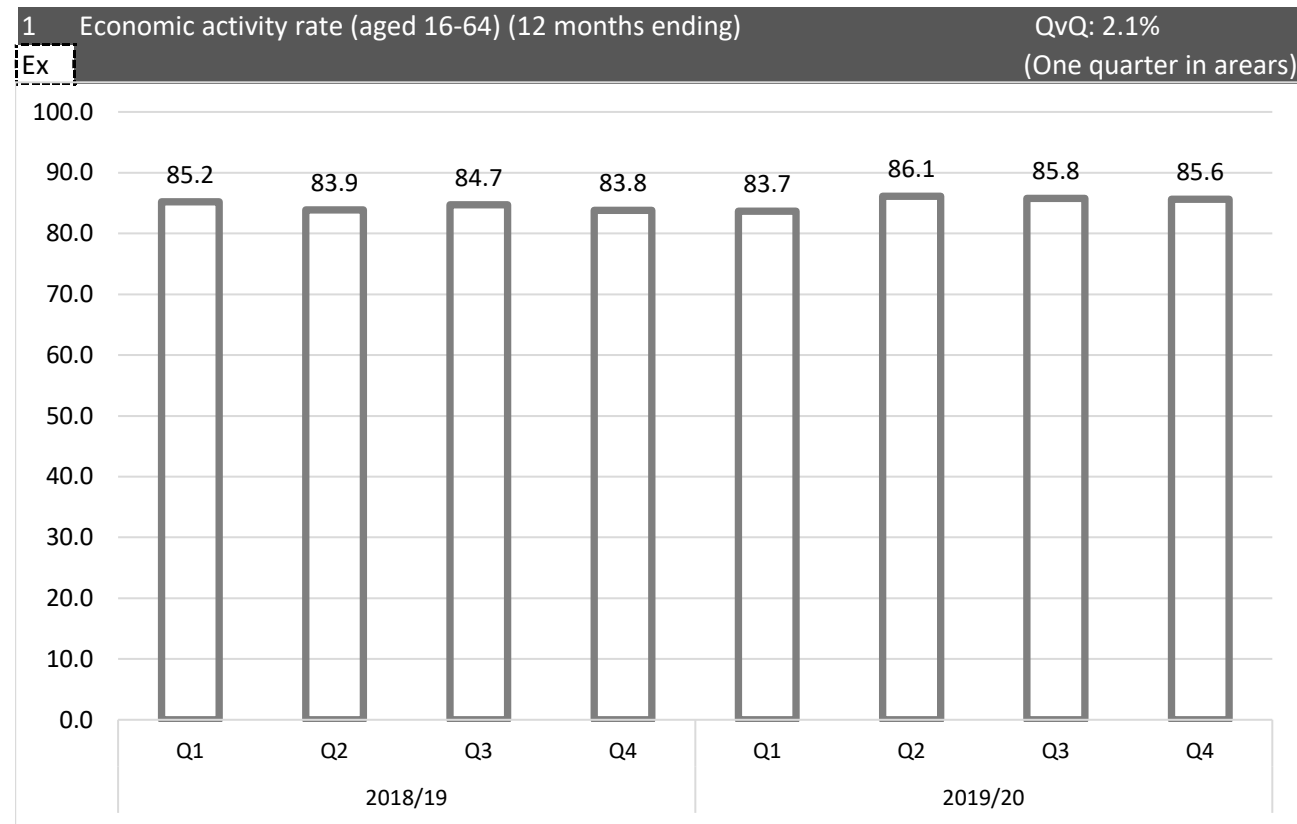
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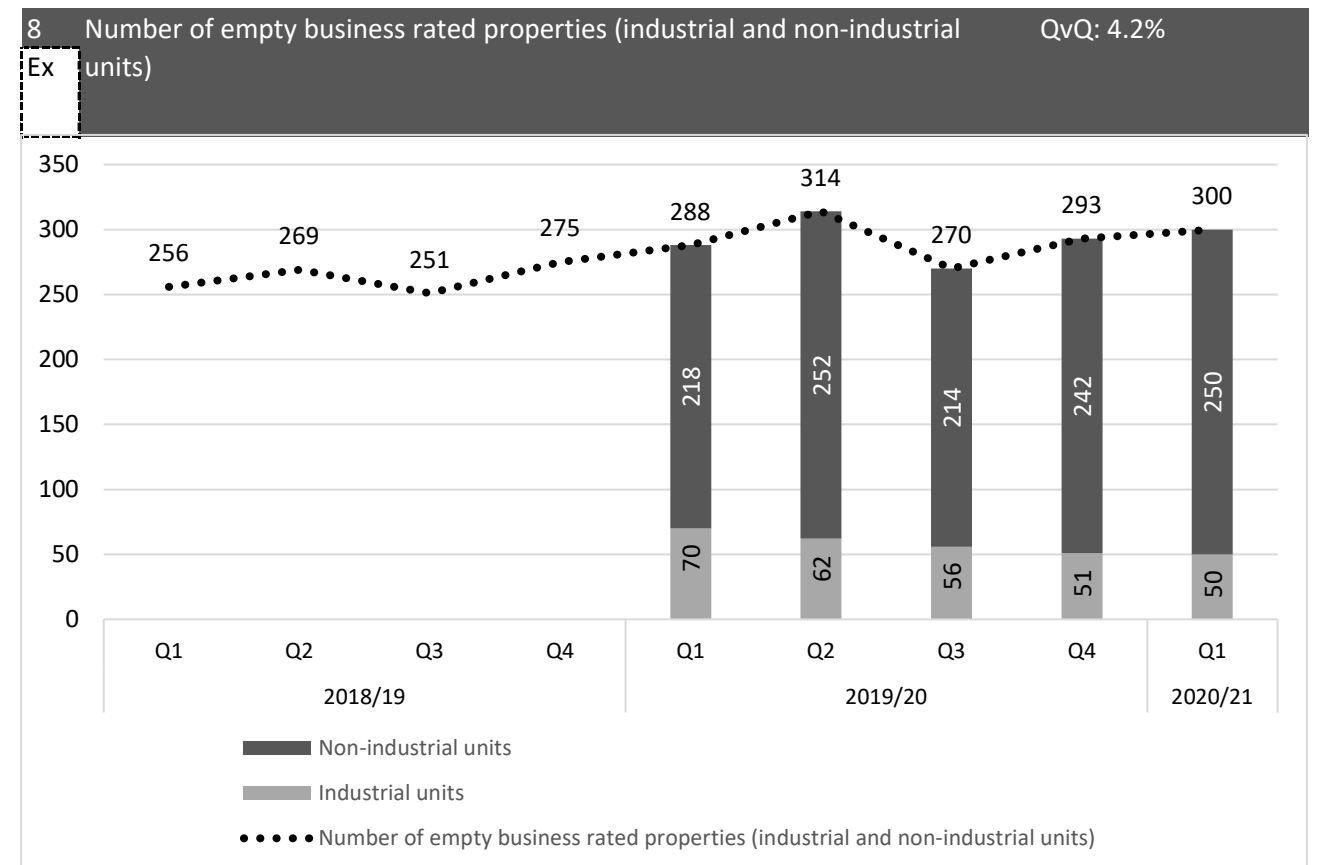
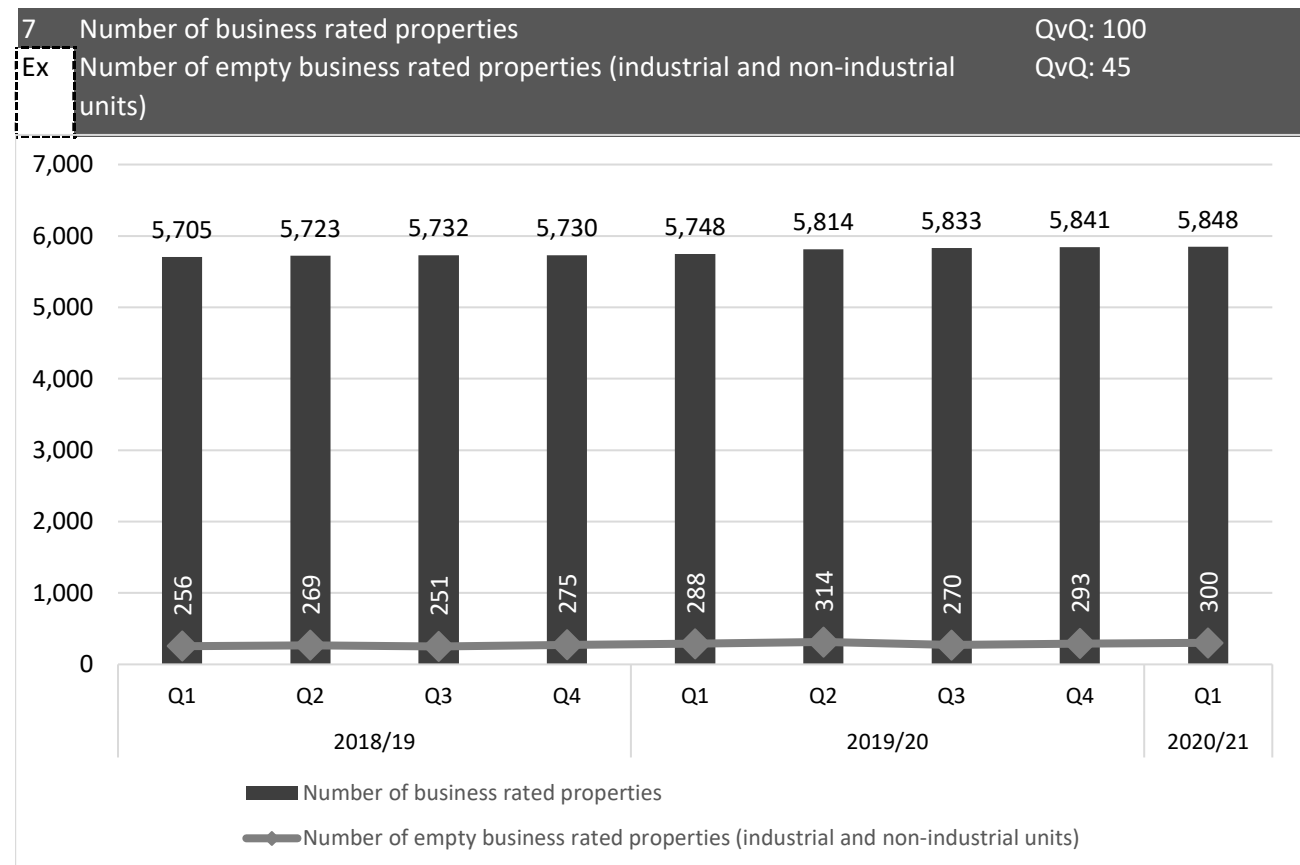
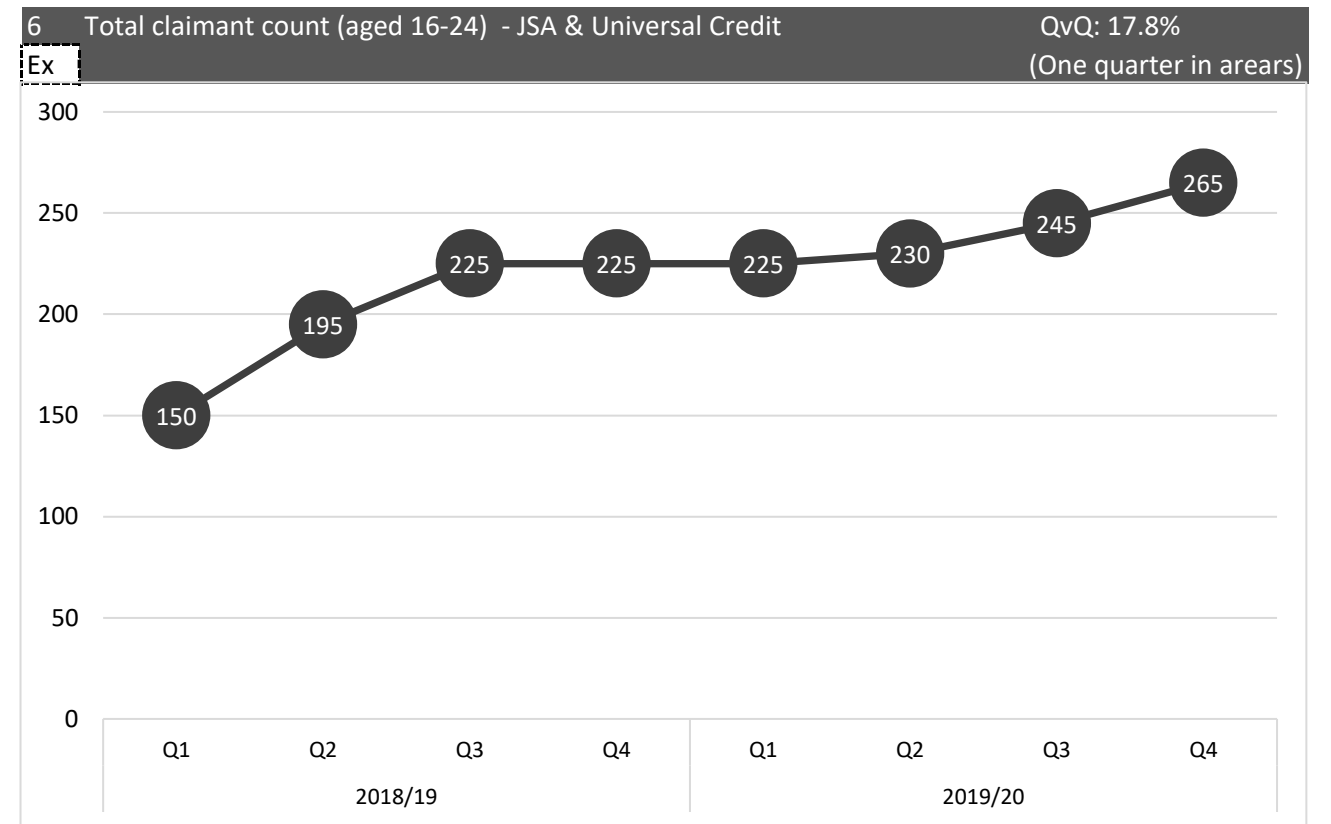
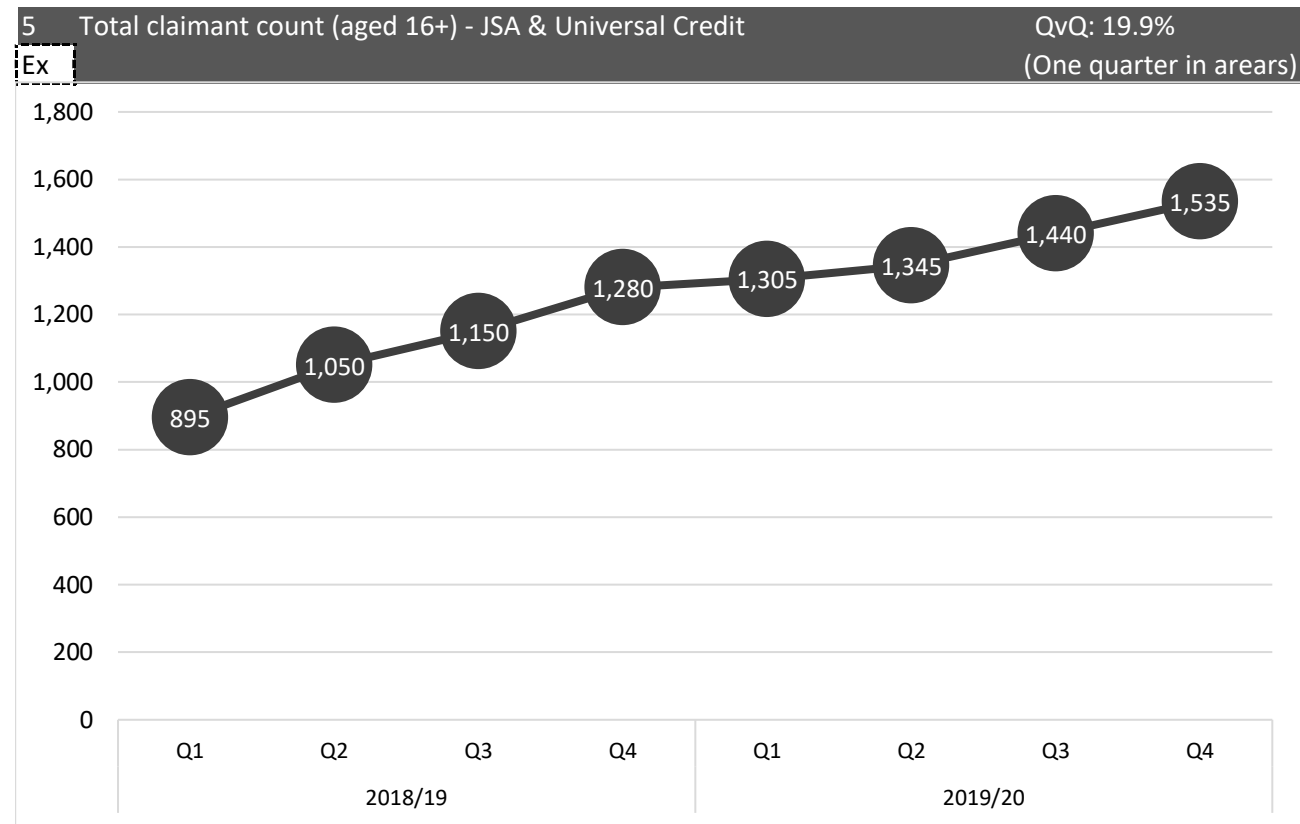
Appendix A: District Wide Health Check 2019/20 (current qtr v same qtr last year)

Economy (Grey) | Social Care (blue) | Environment (Green)



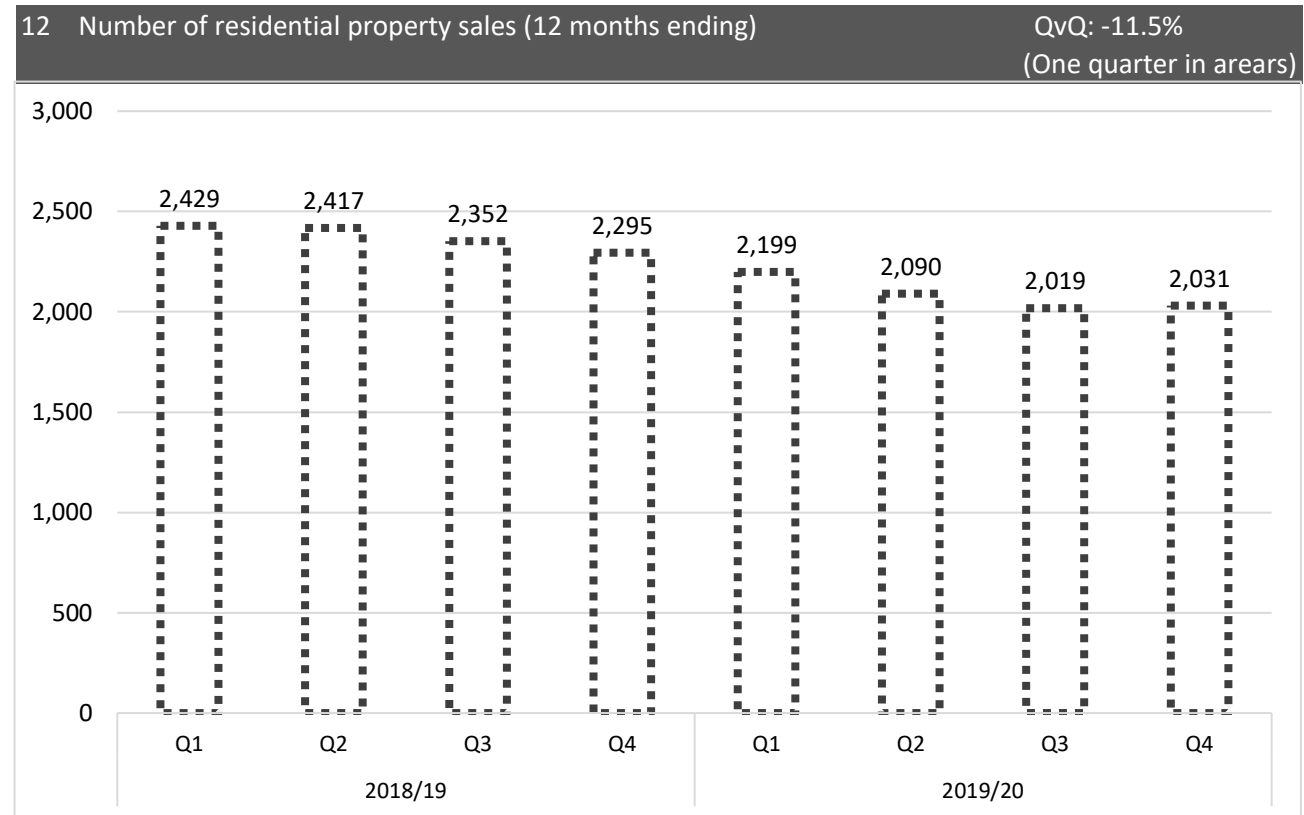
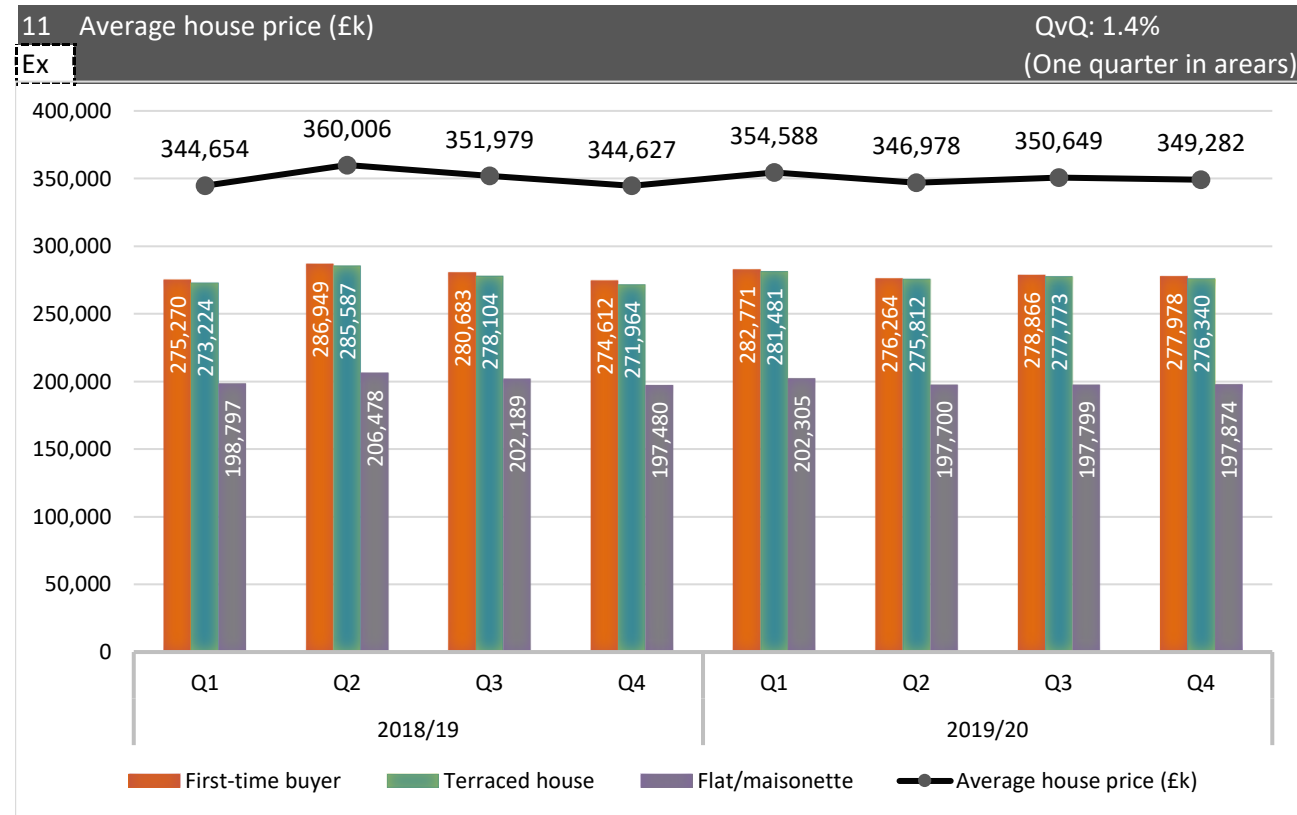
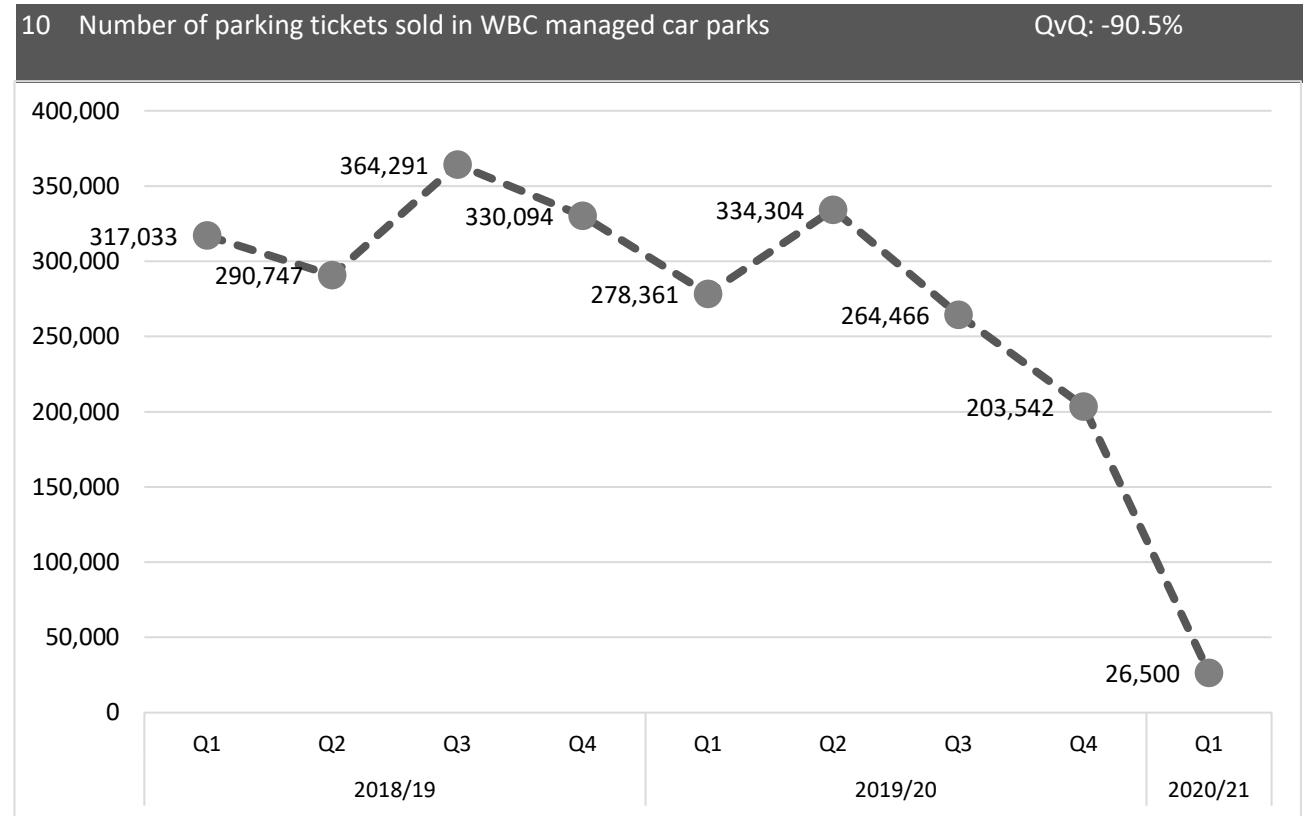
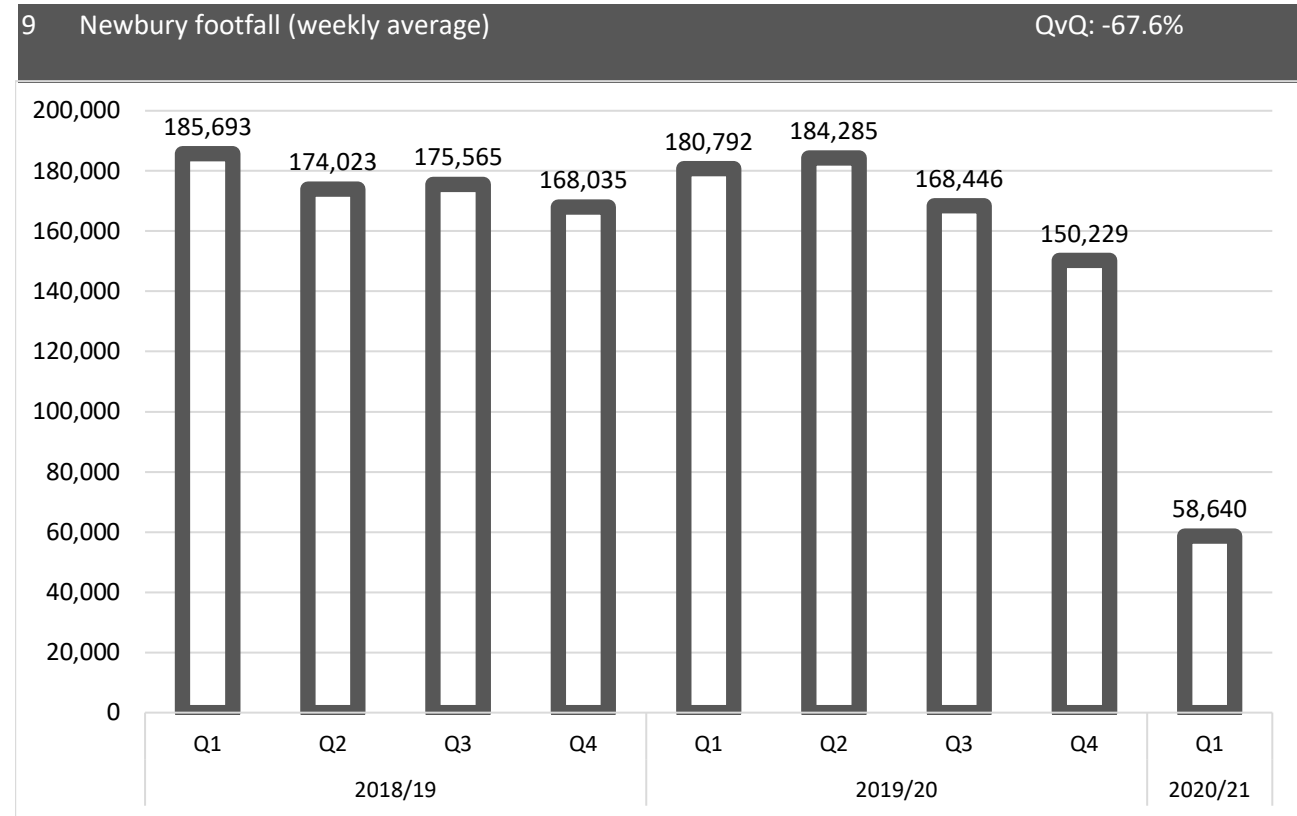
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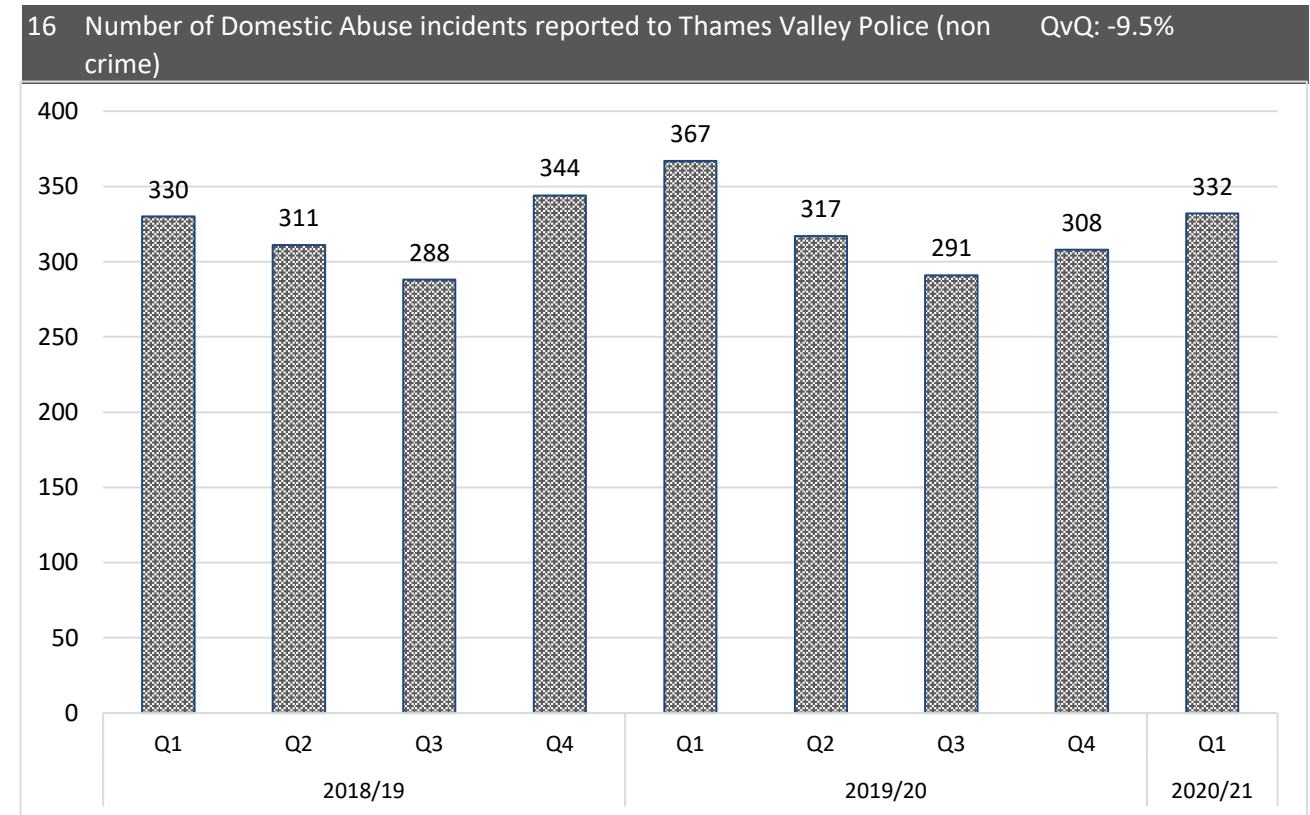
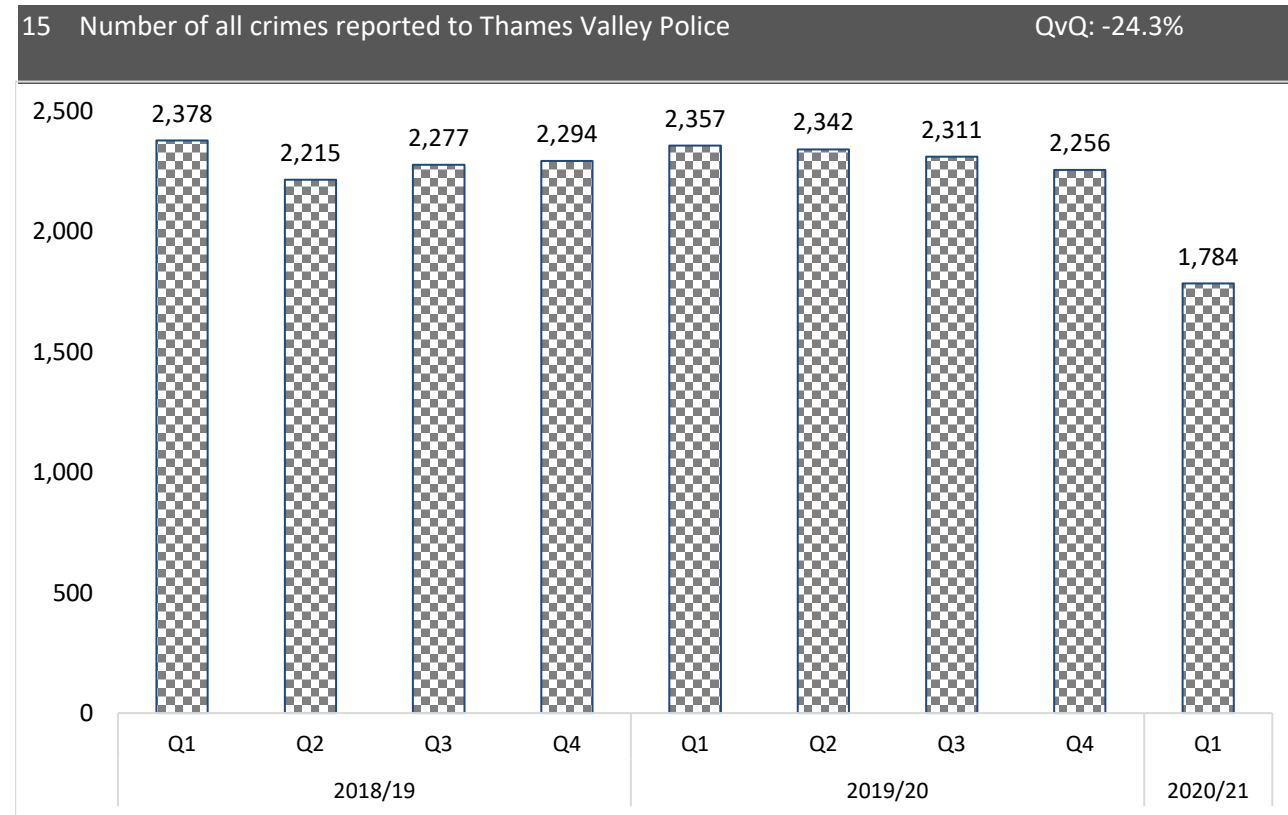
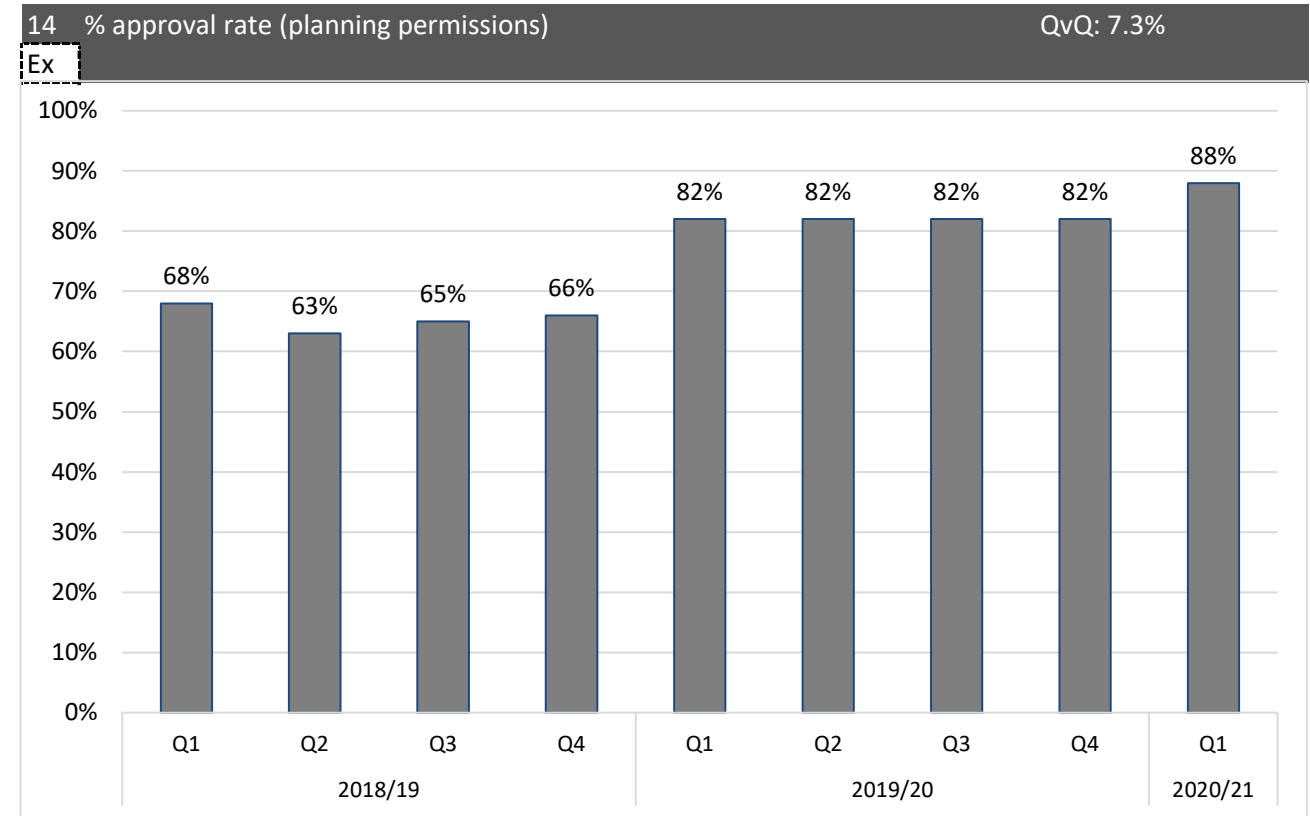
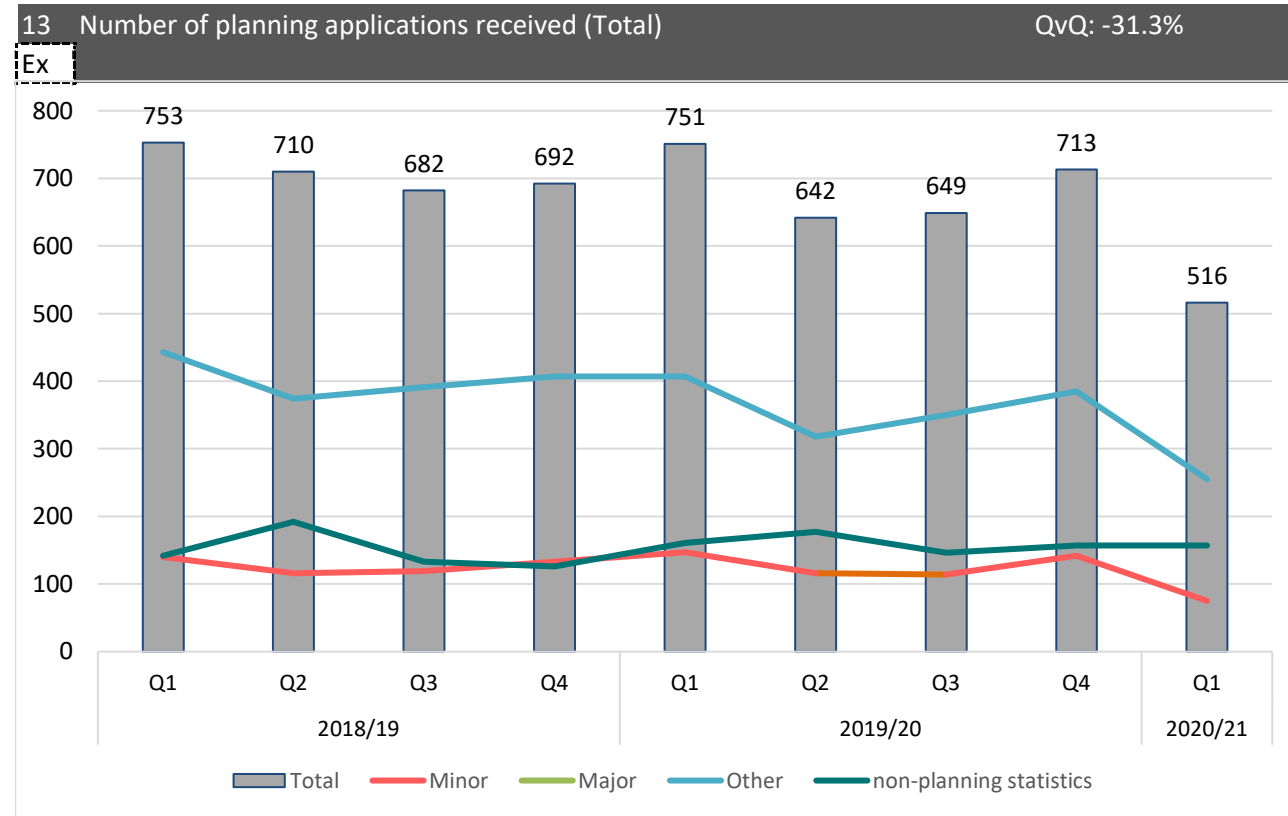
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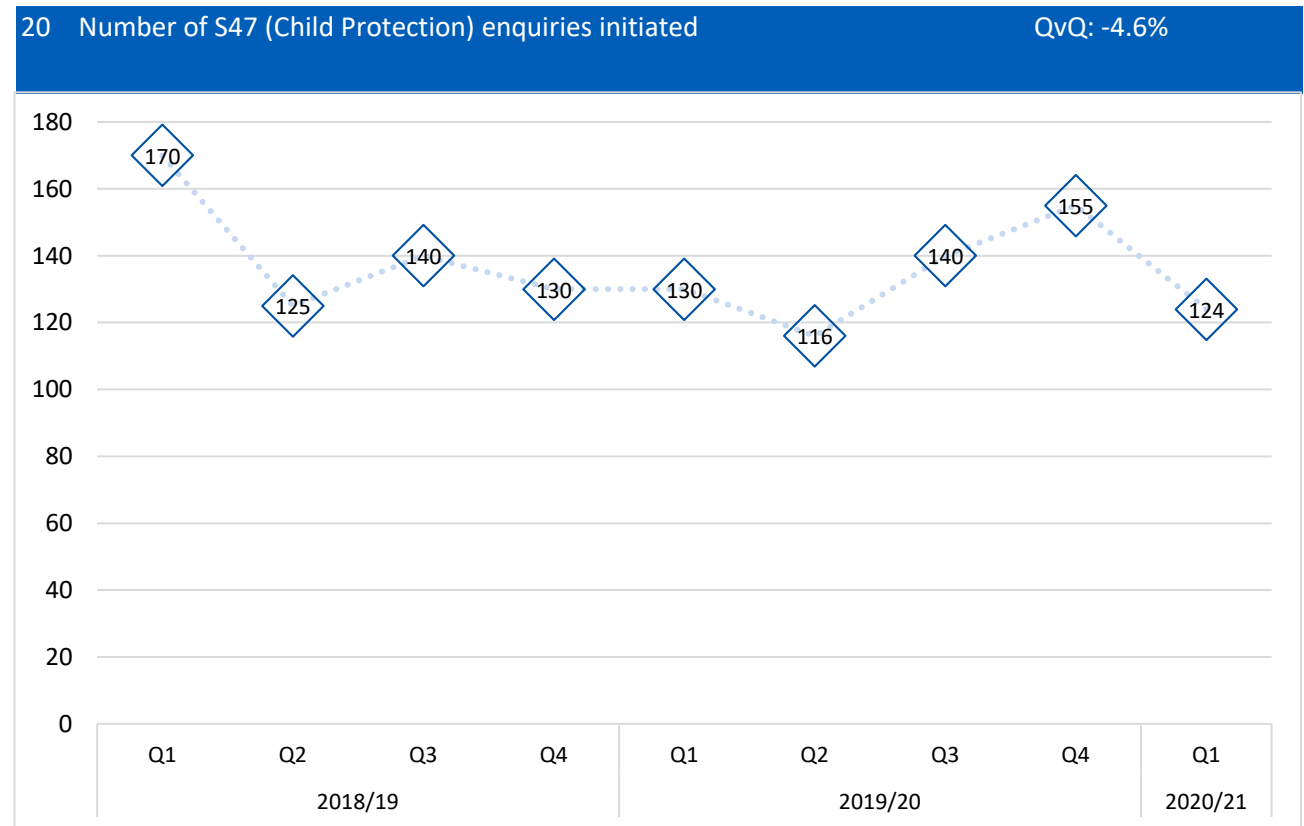
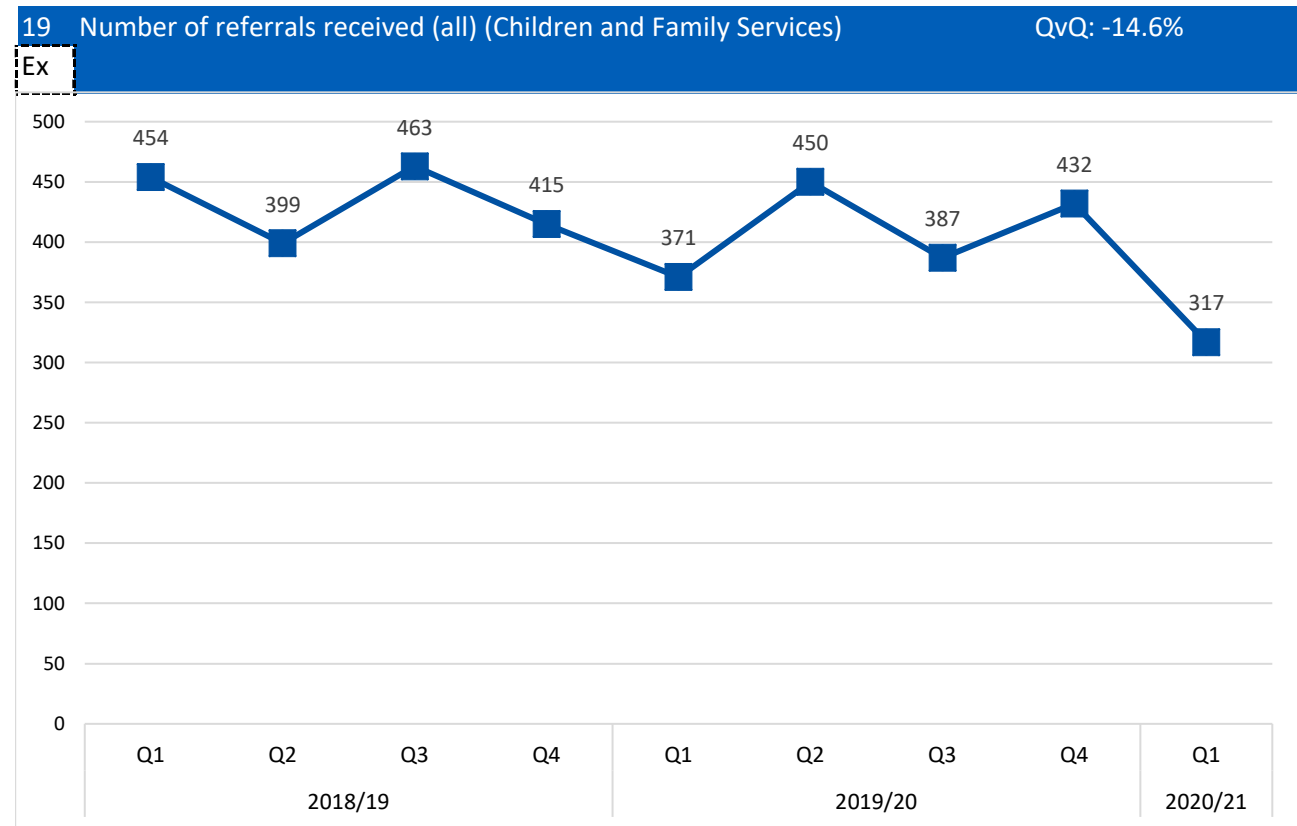
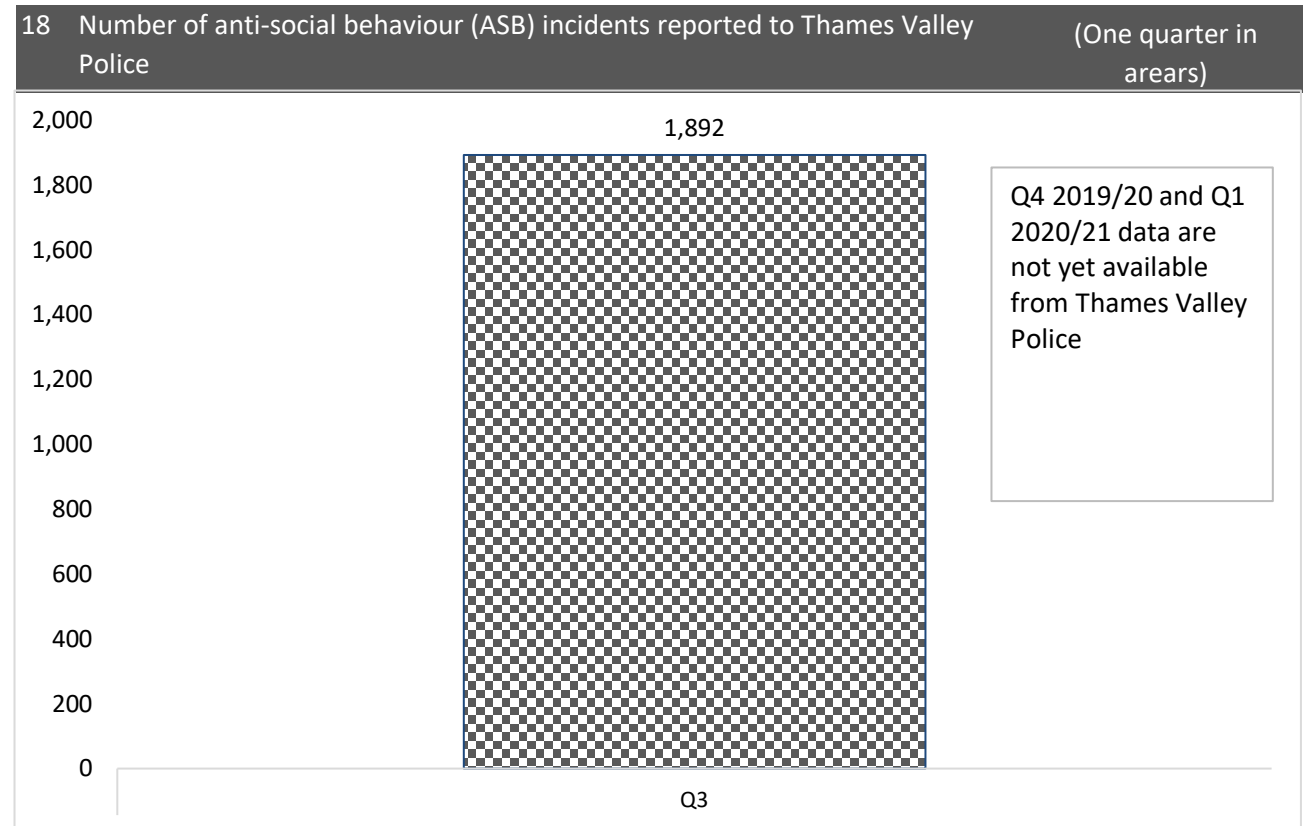
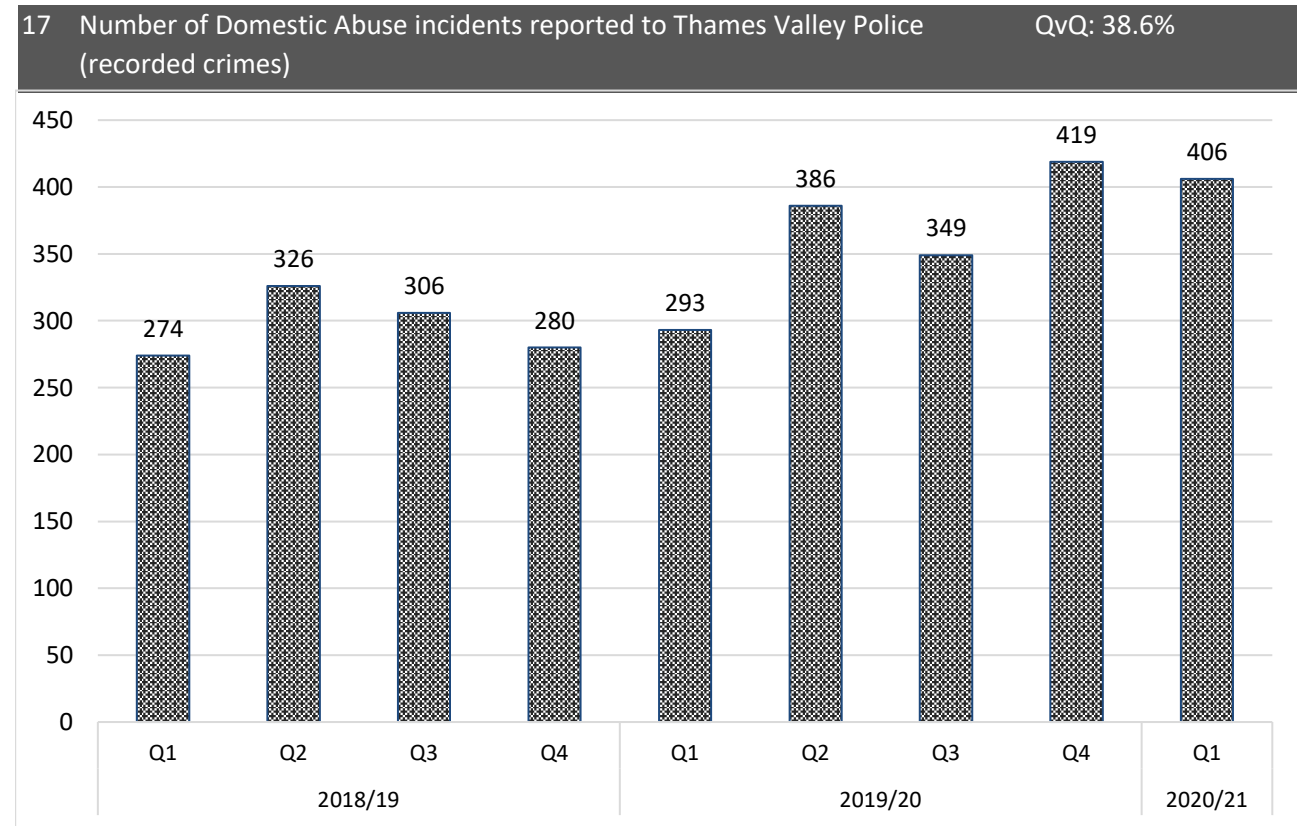
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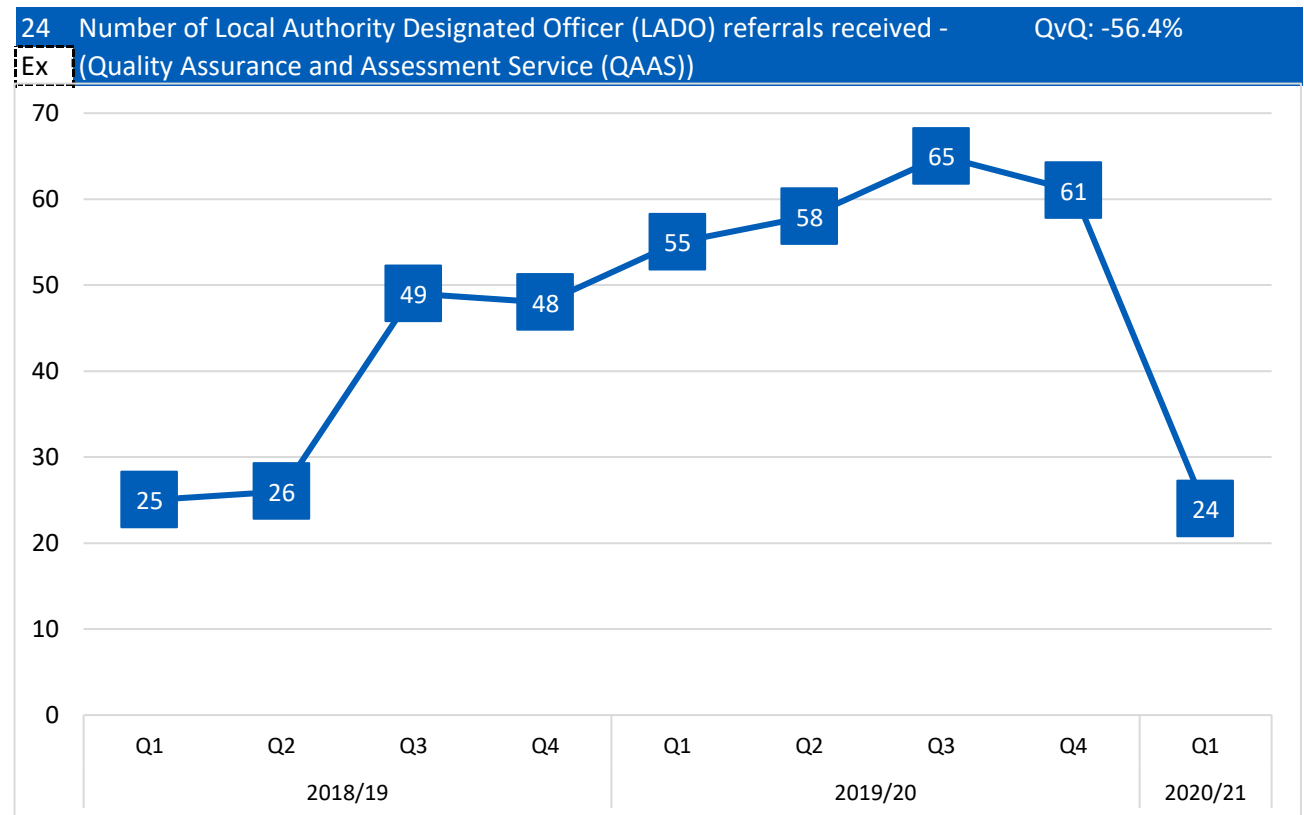
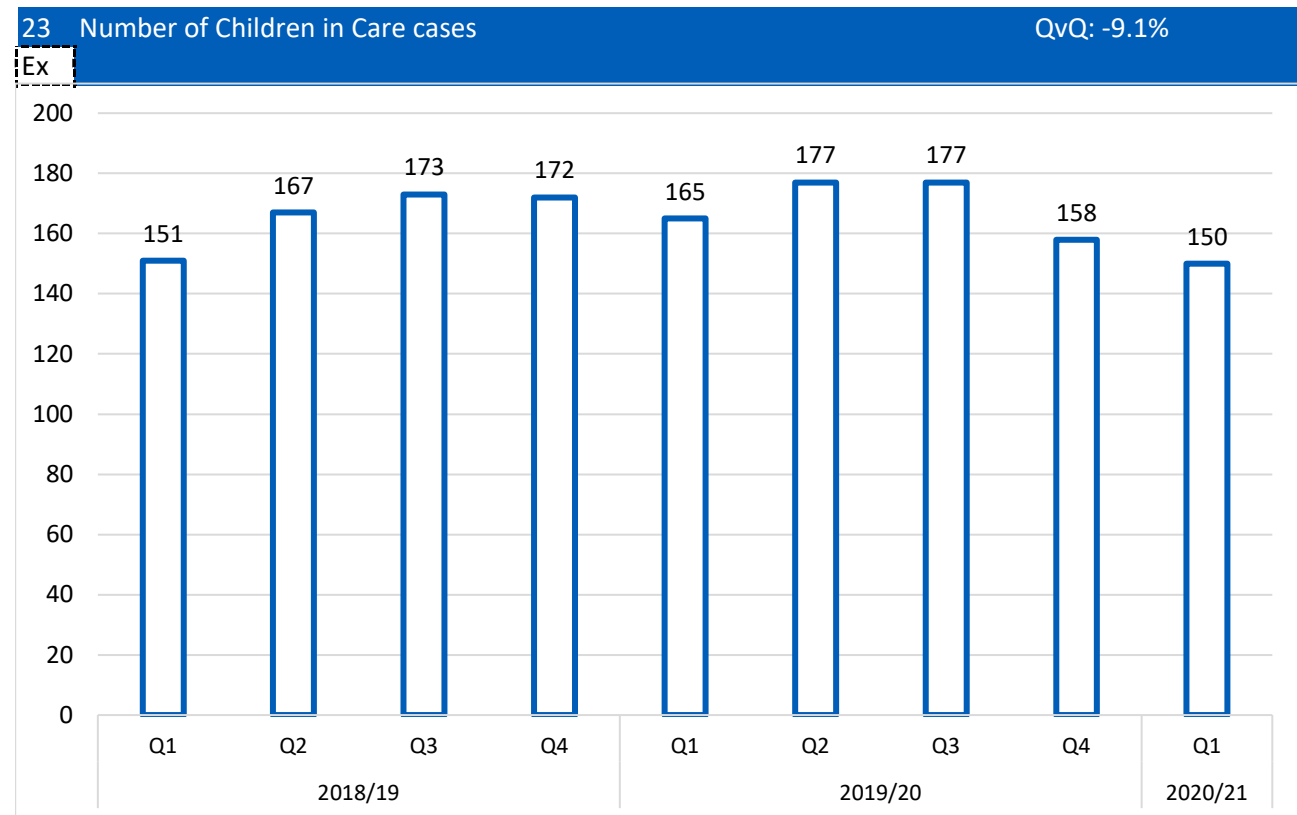
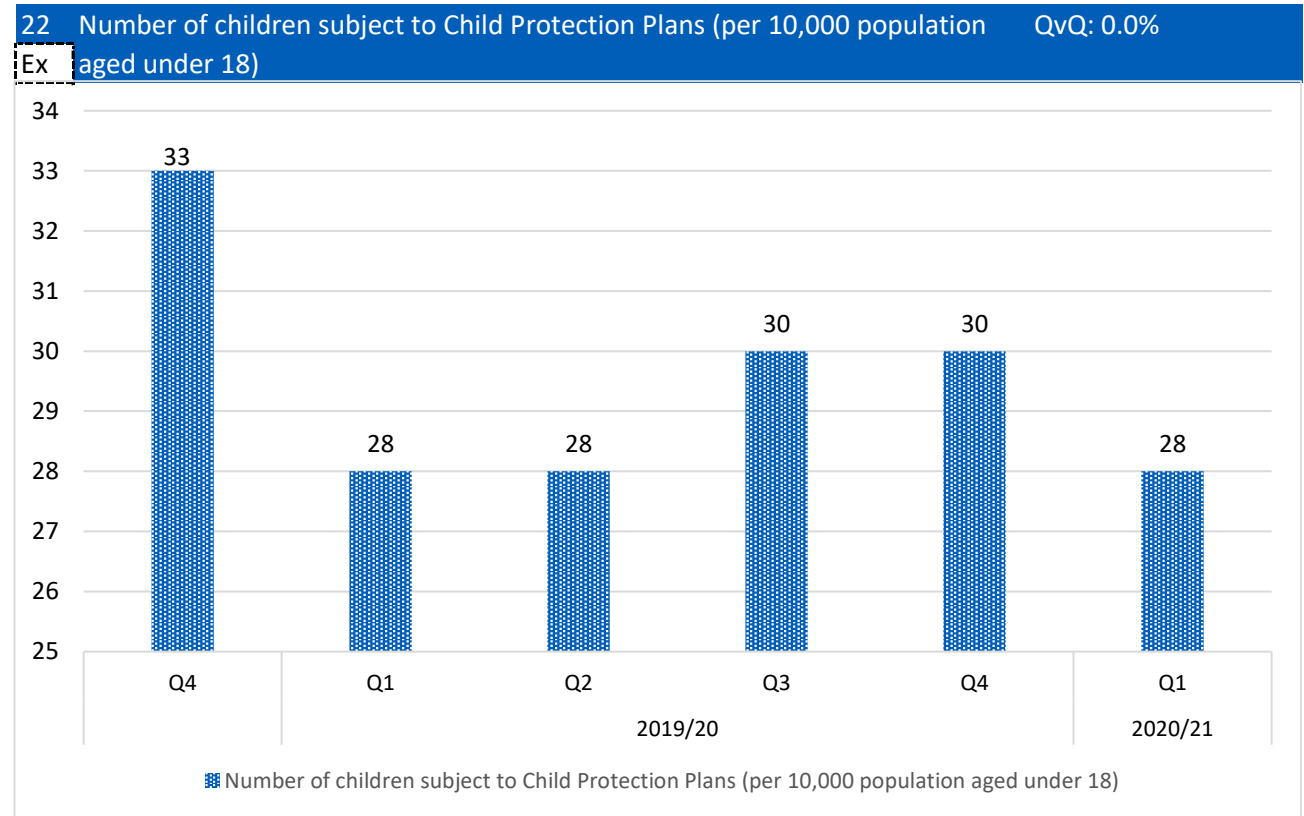
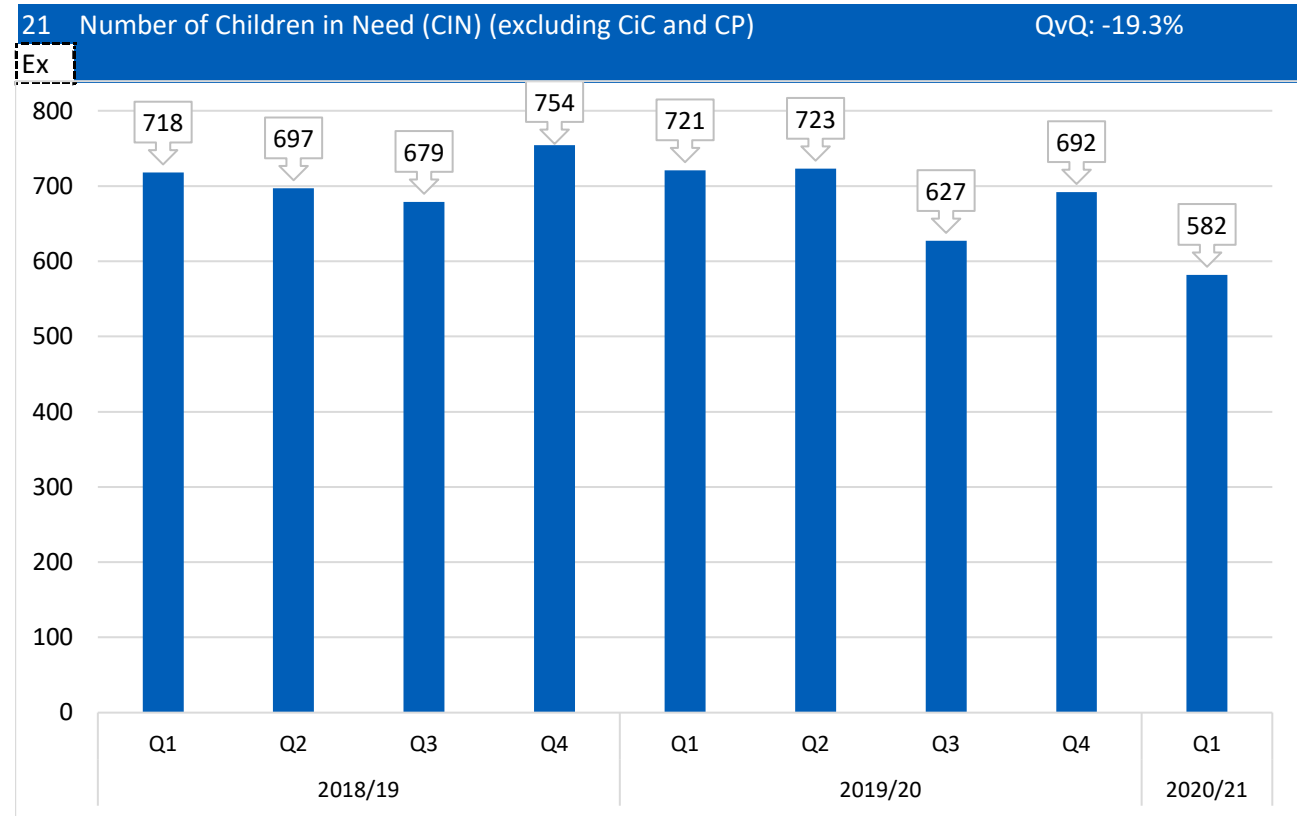
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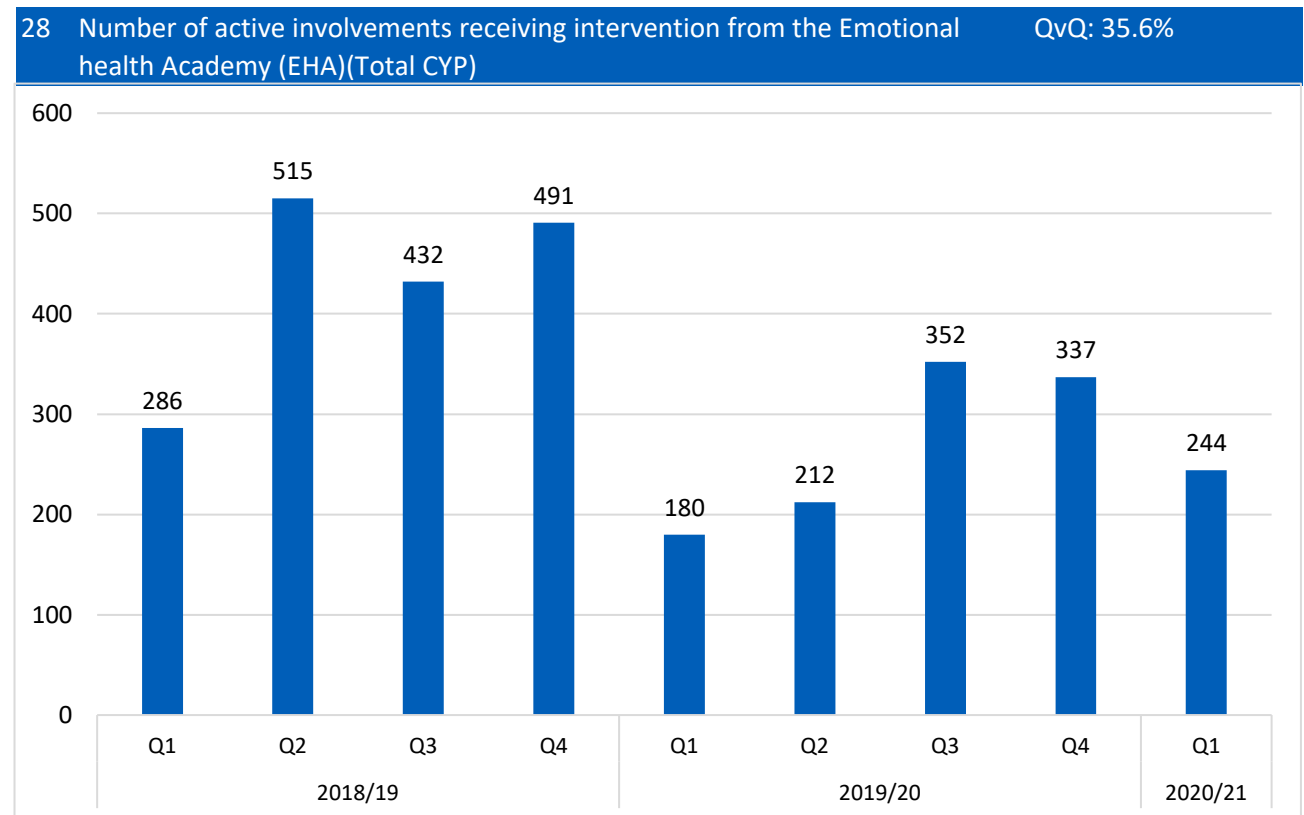
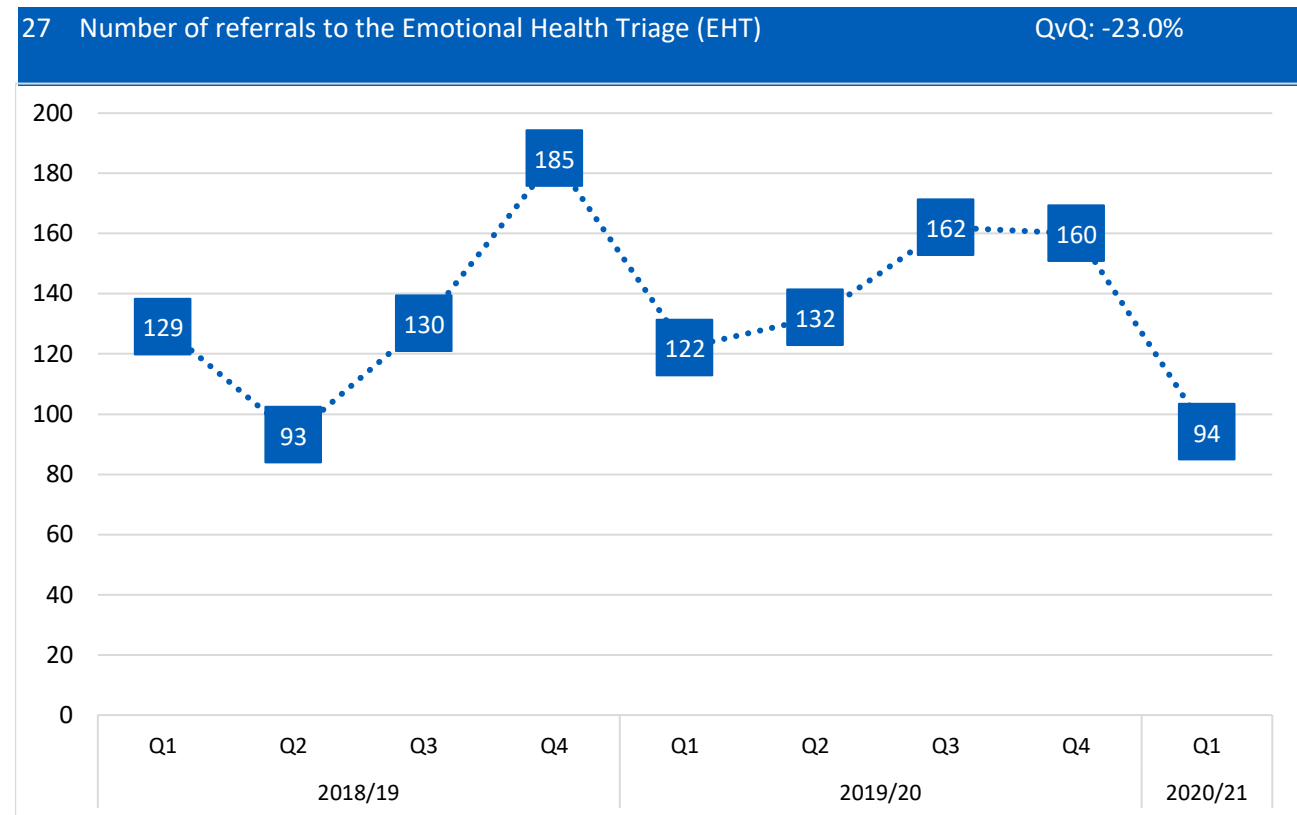
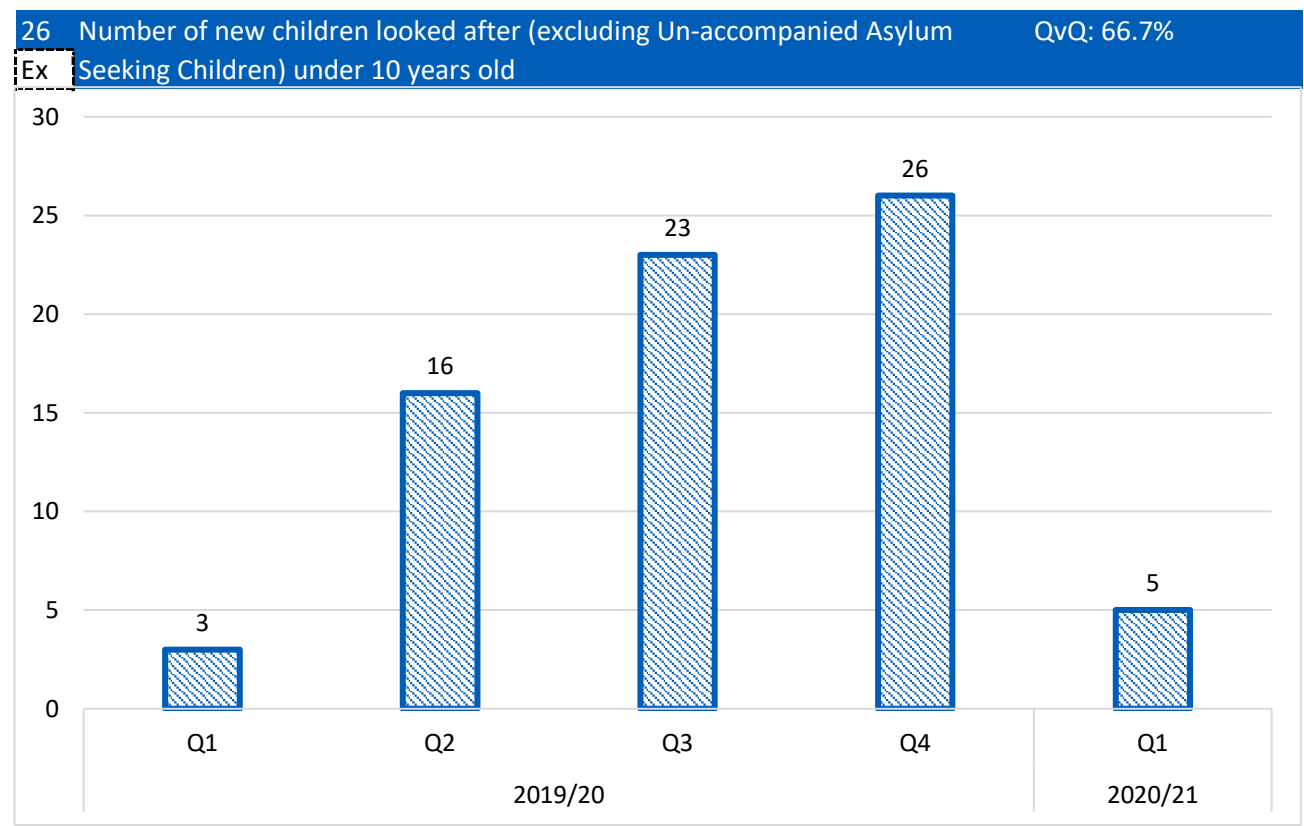
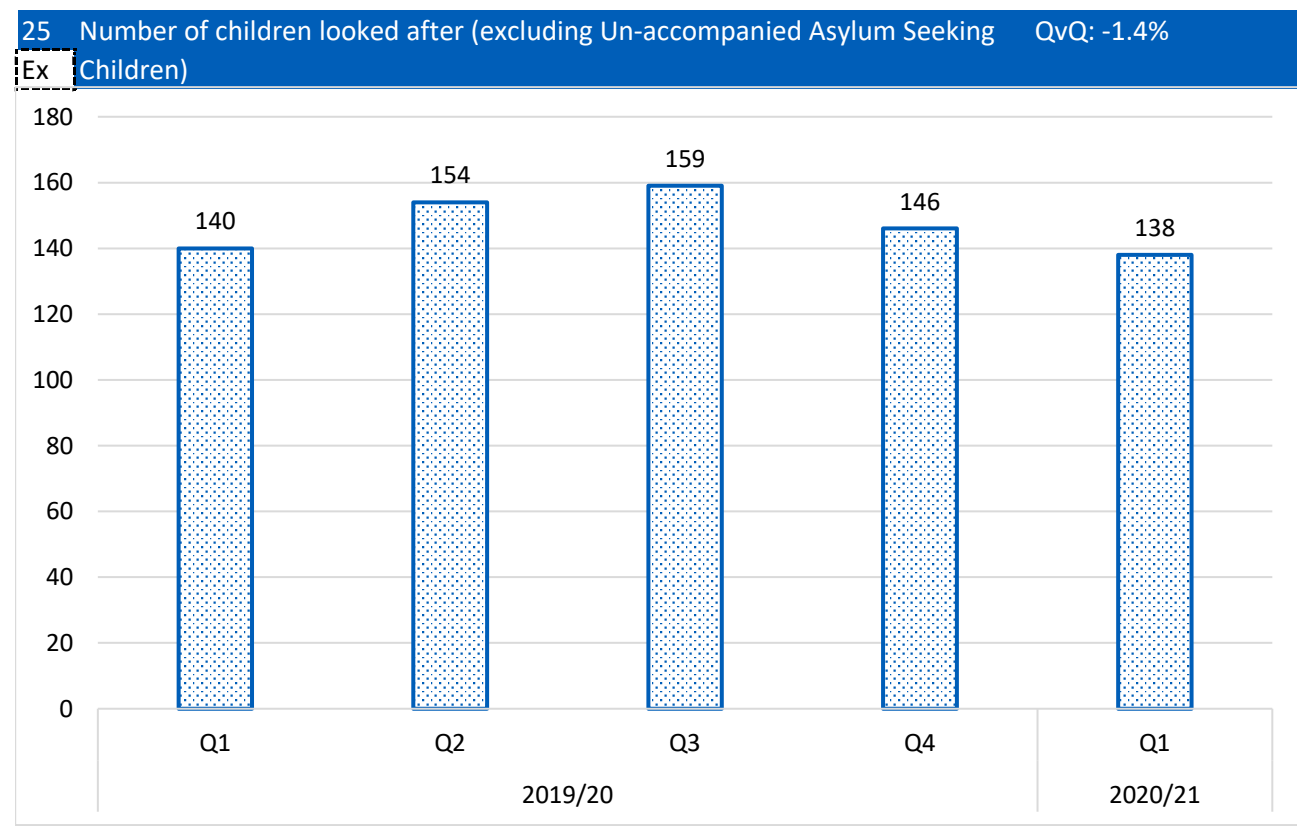
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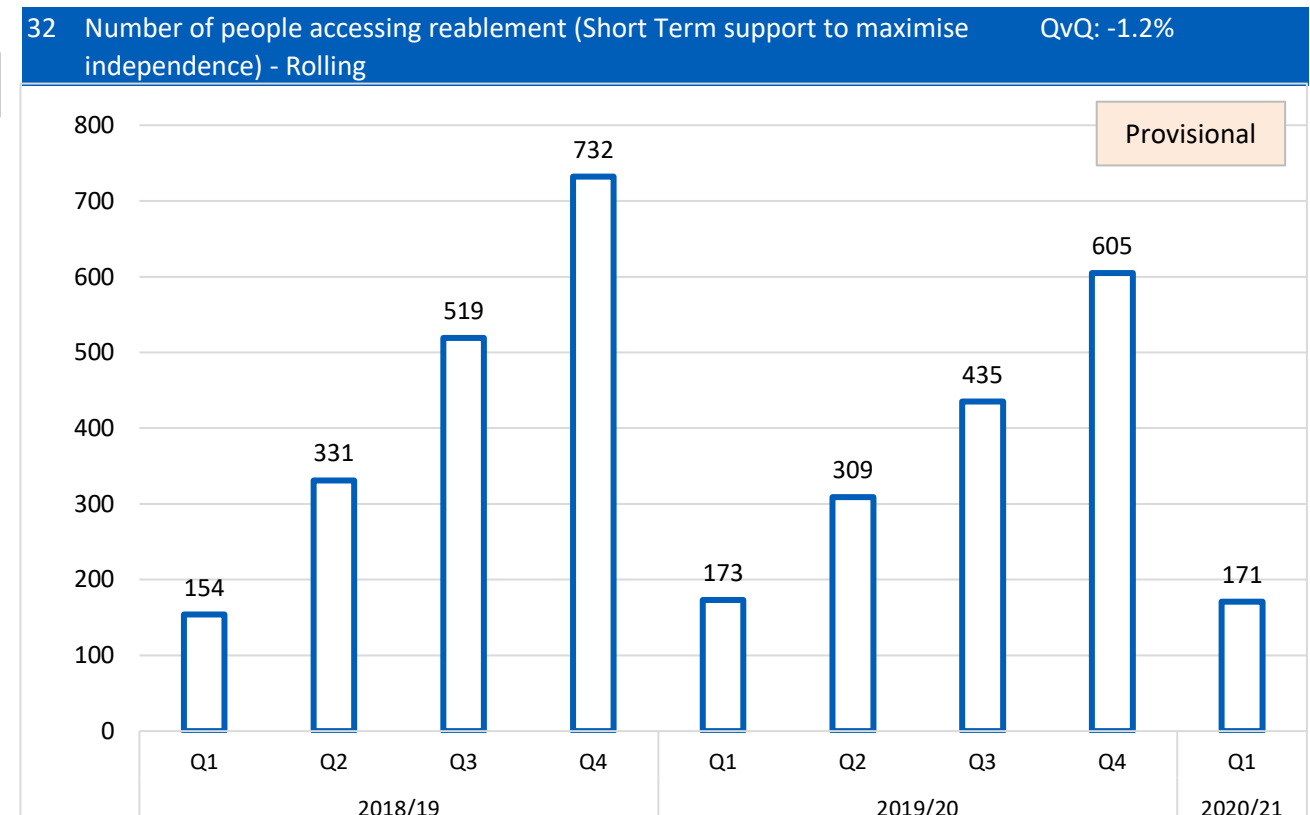
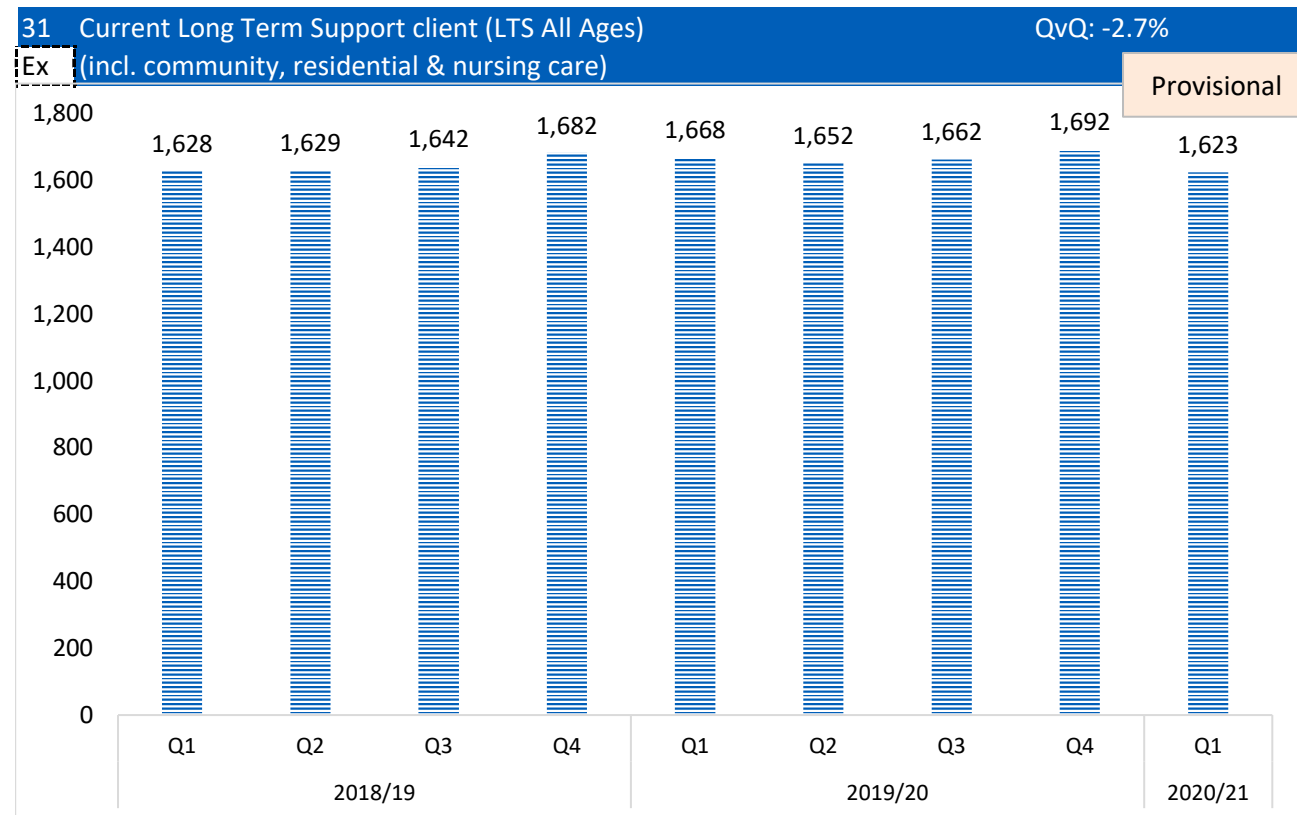
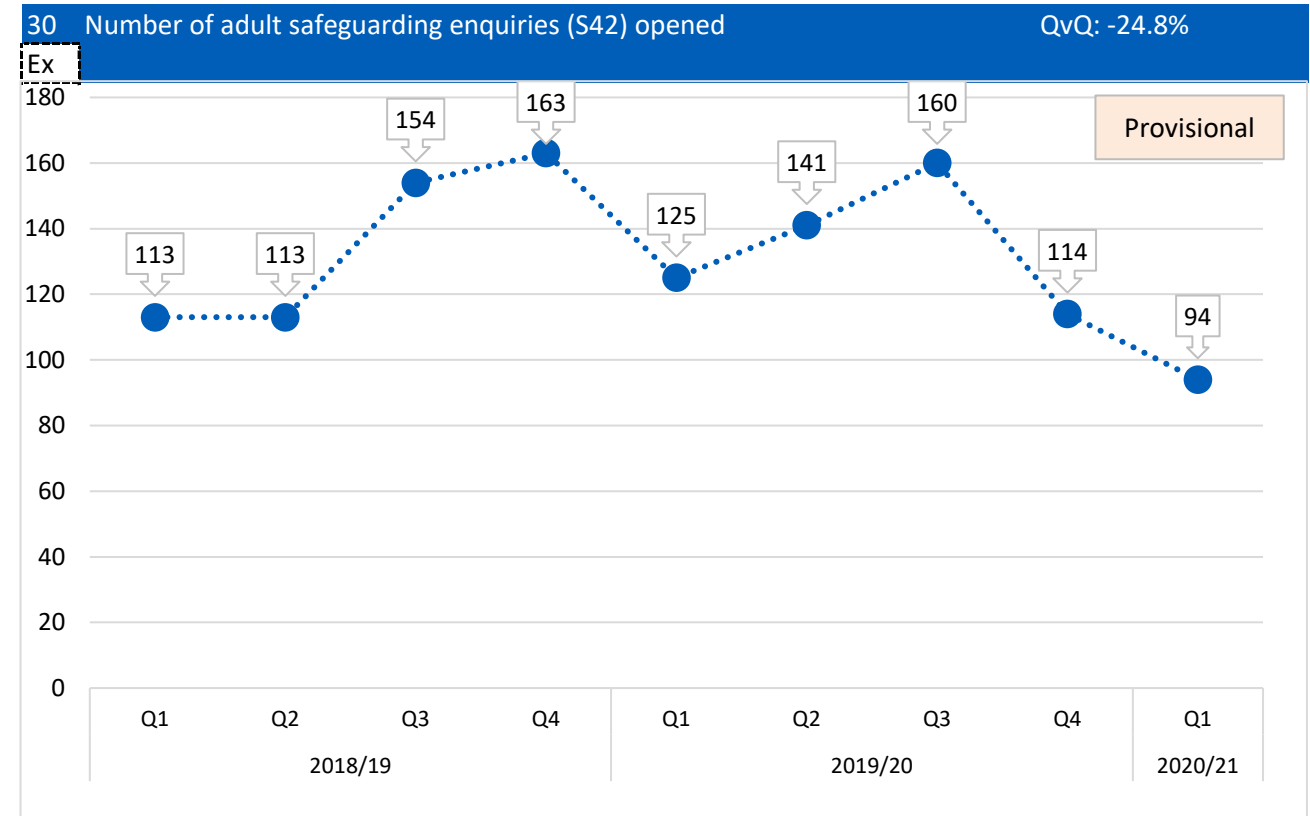
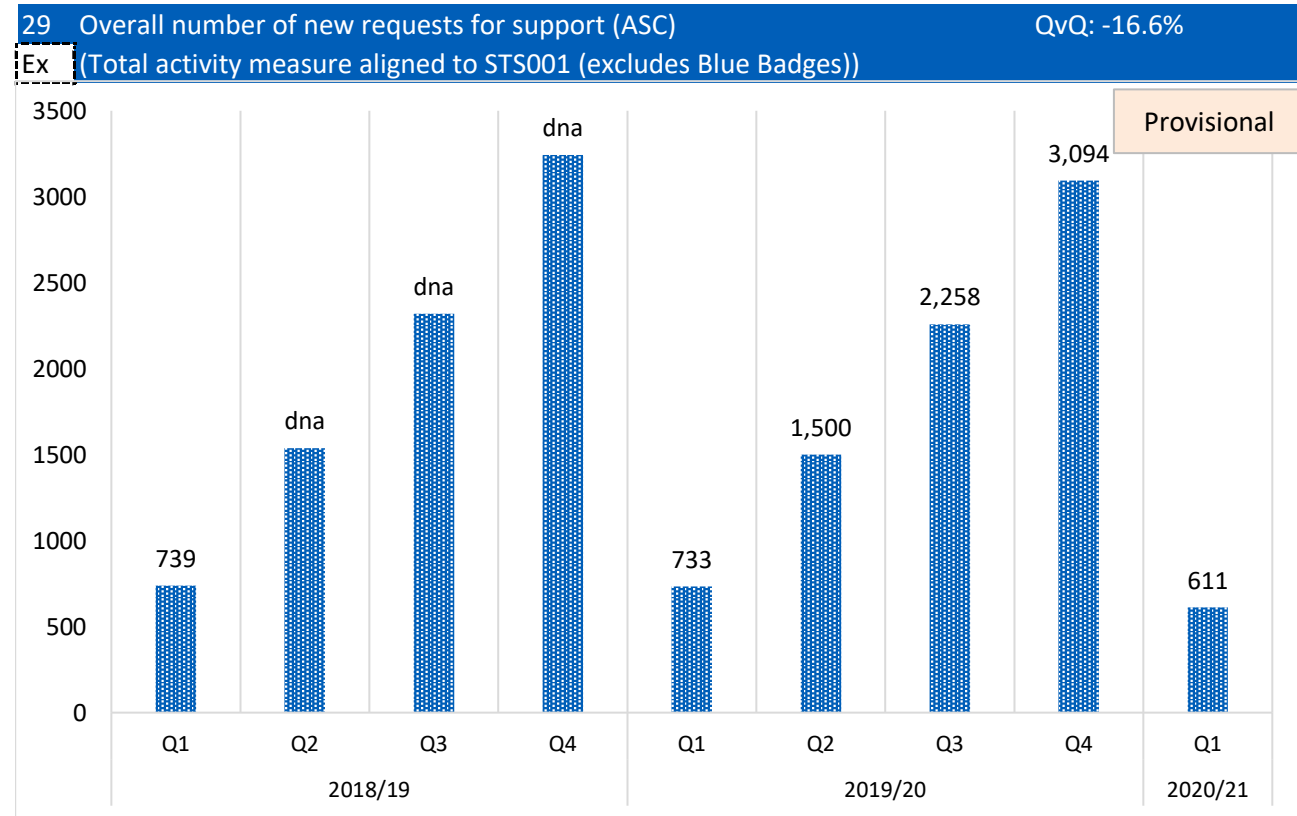
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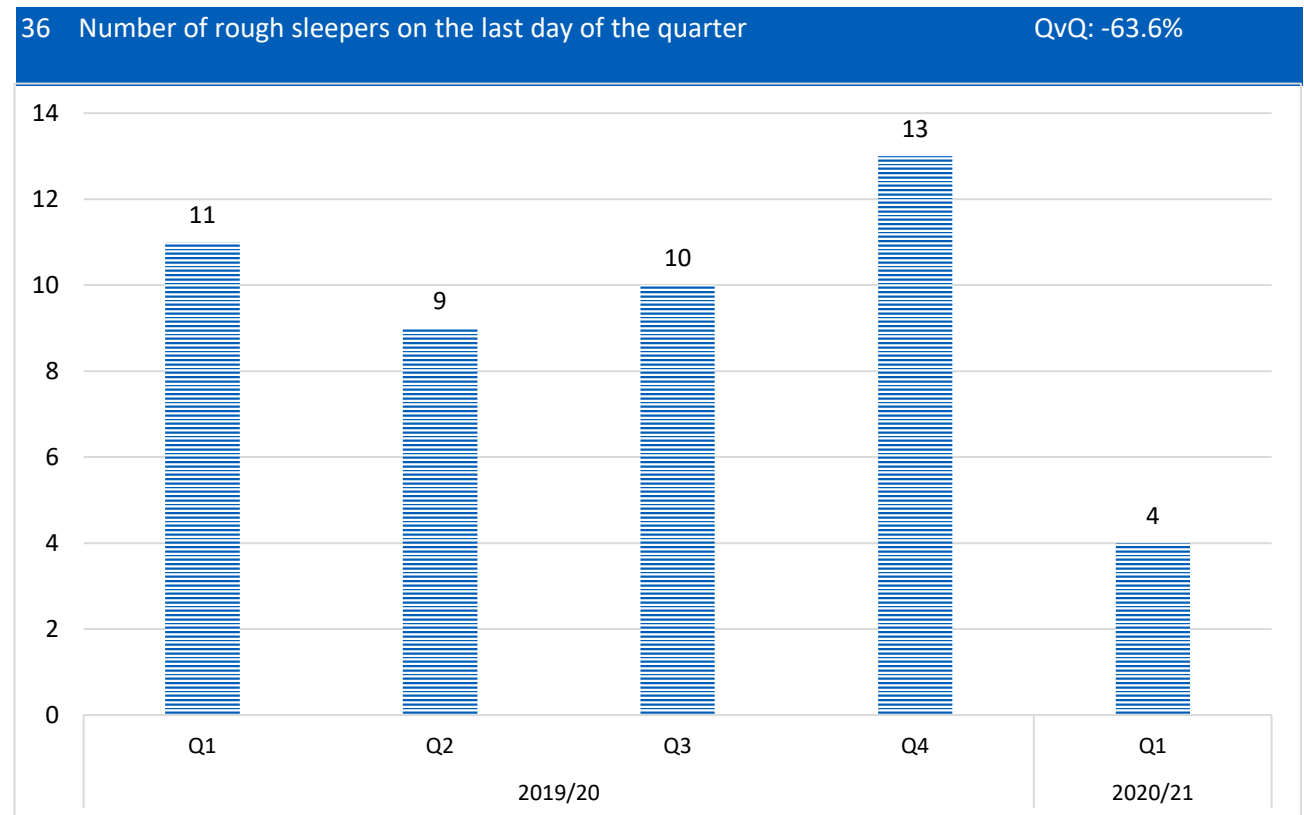
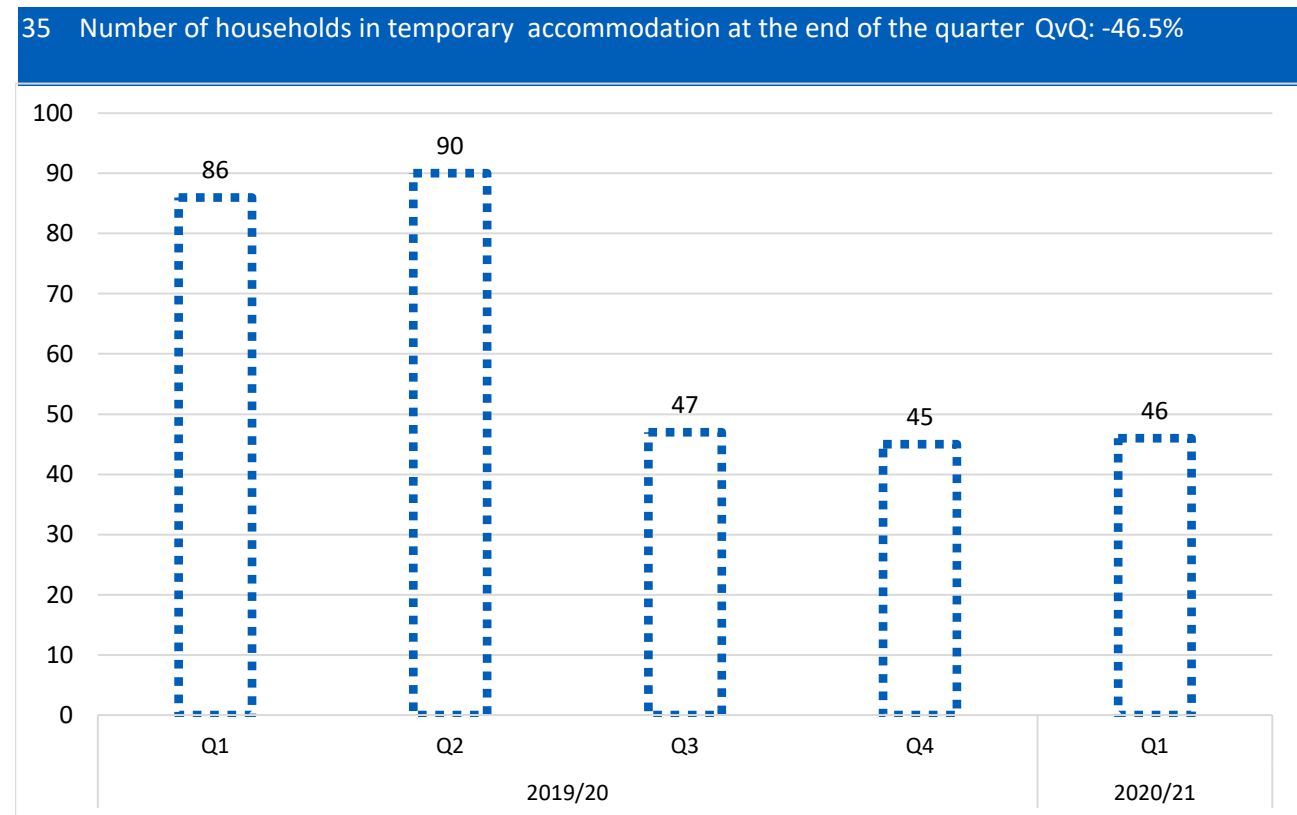
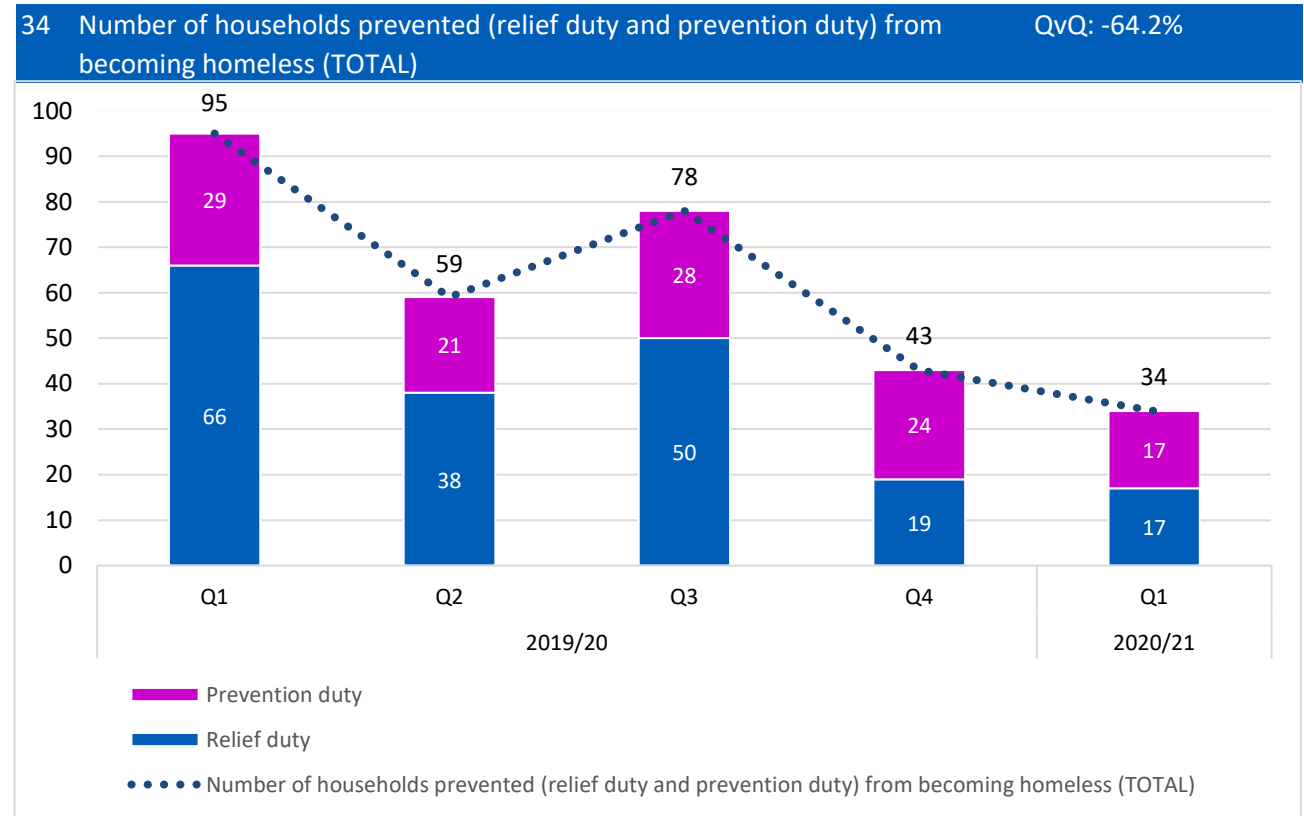
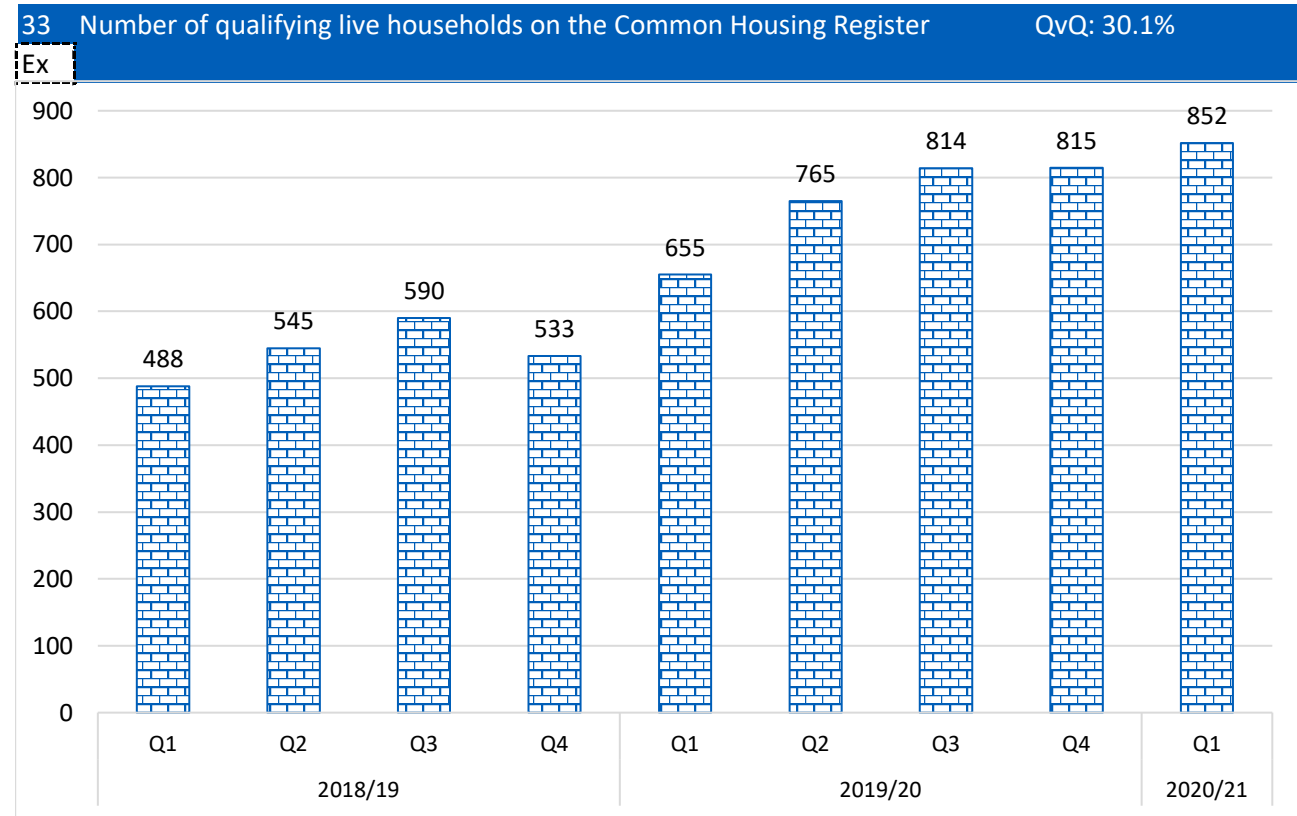
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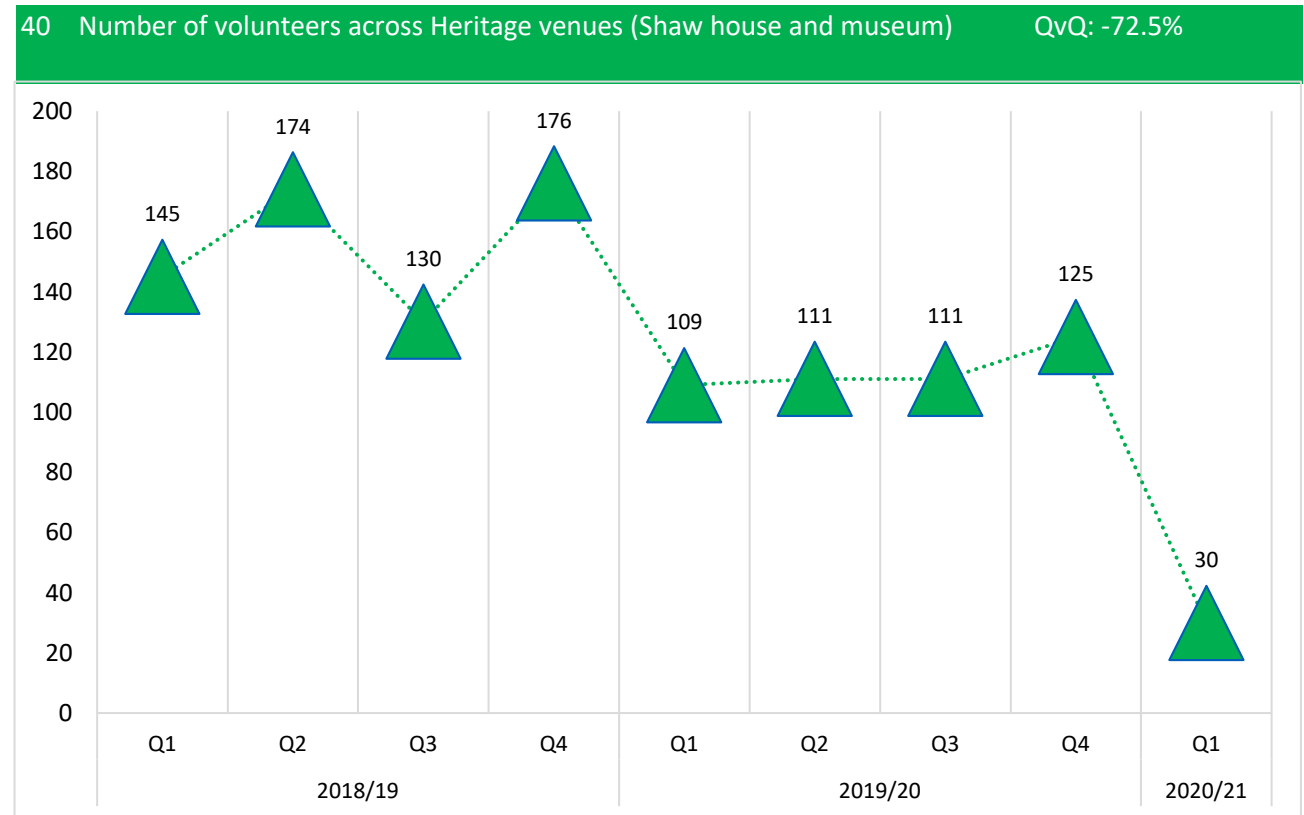
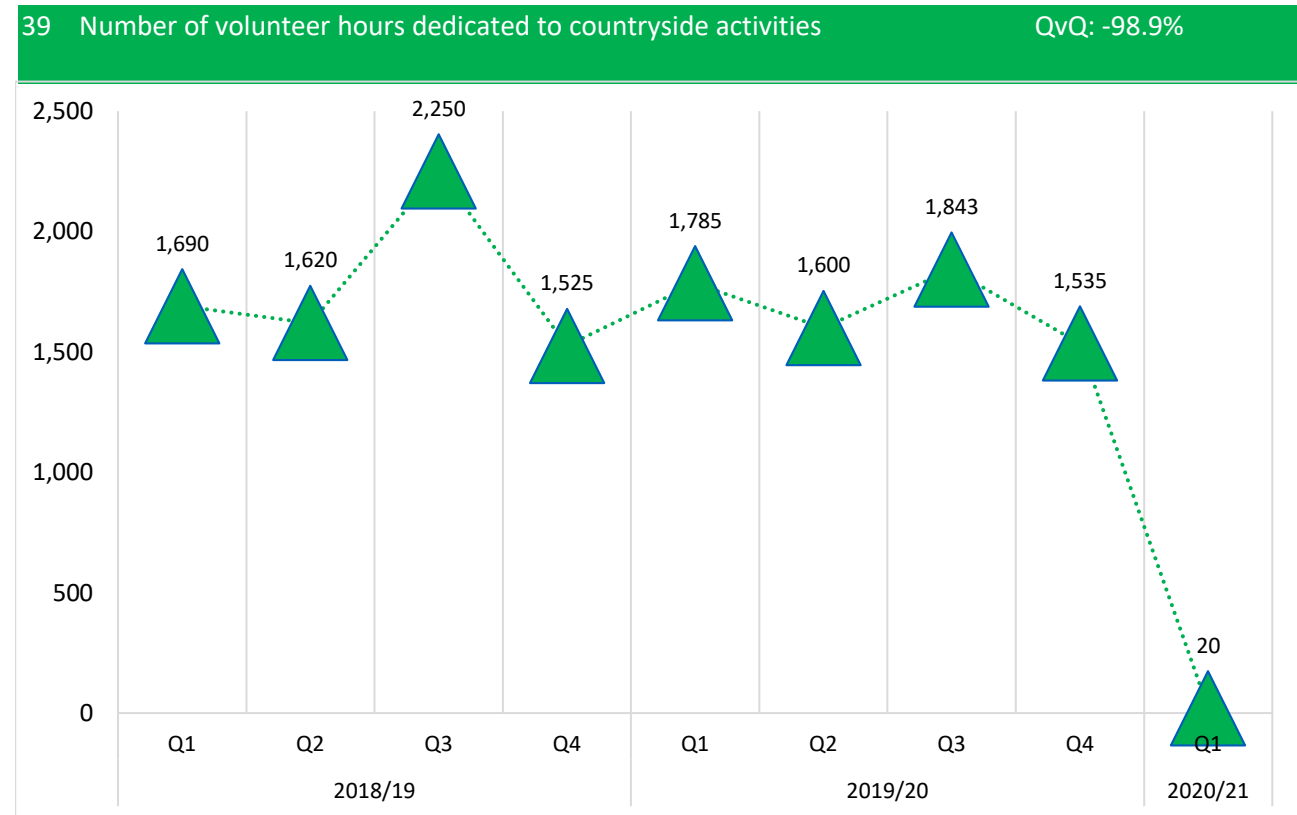
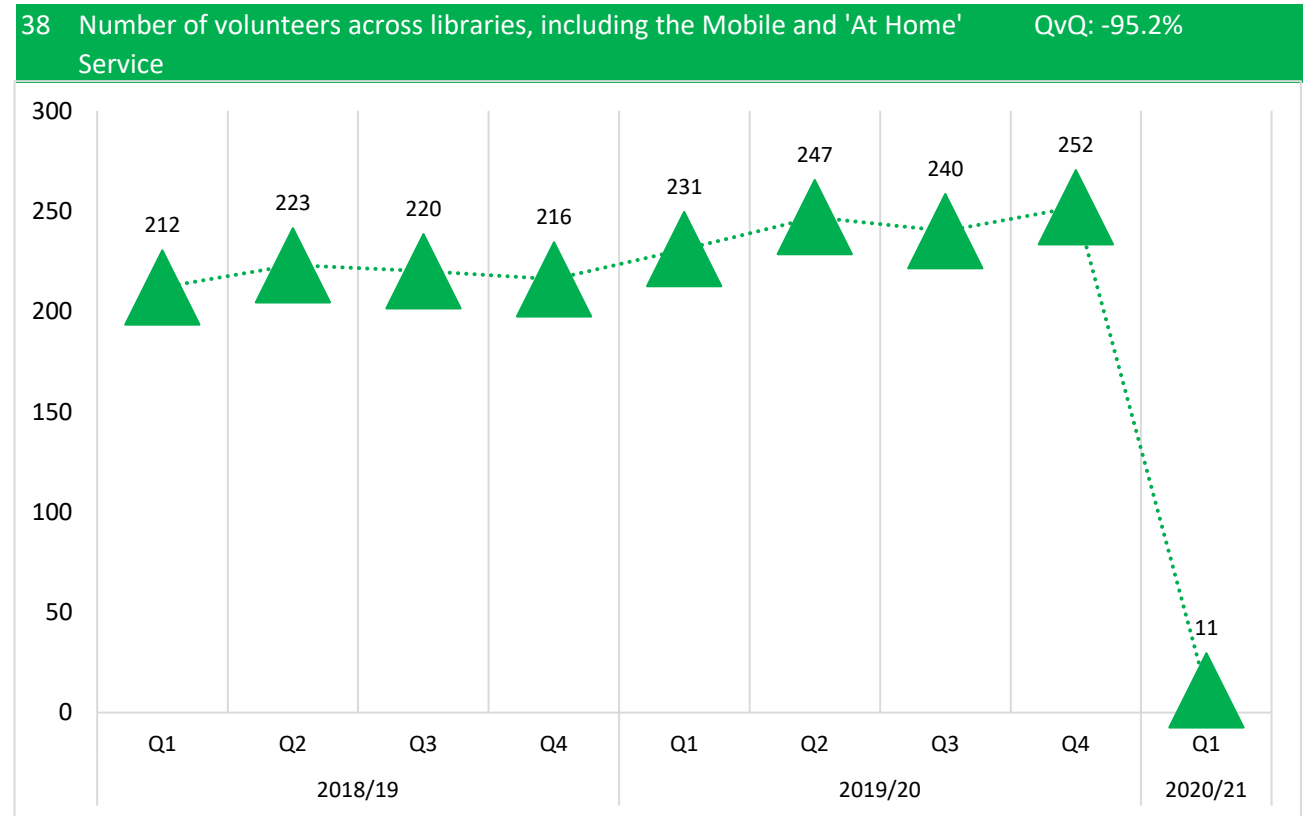
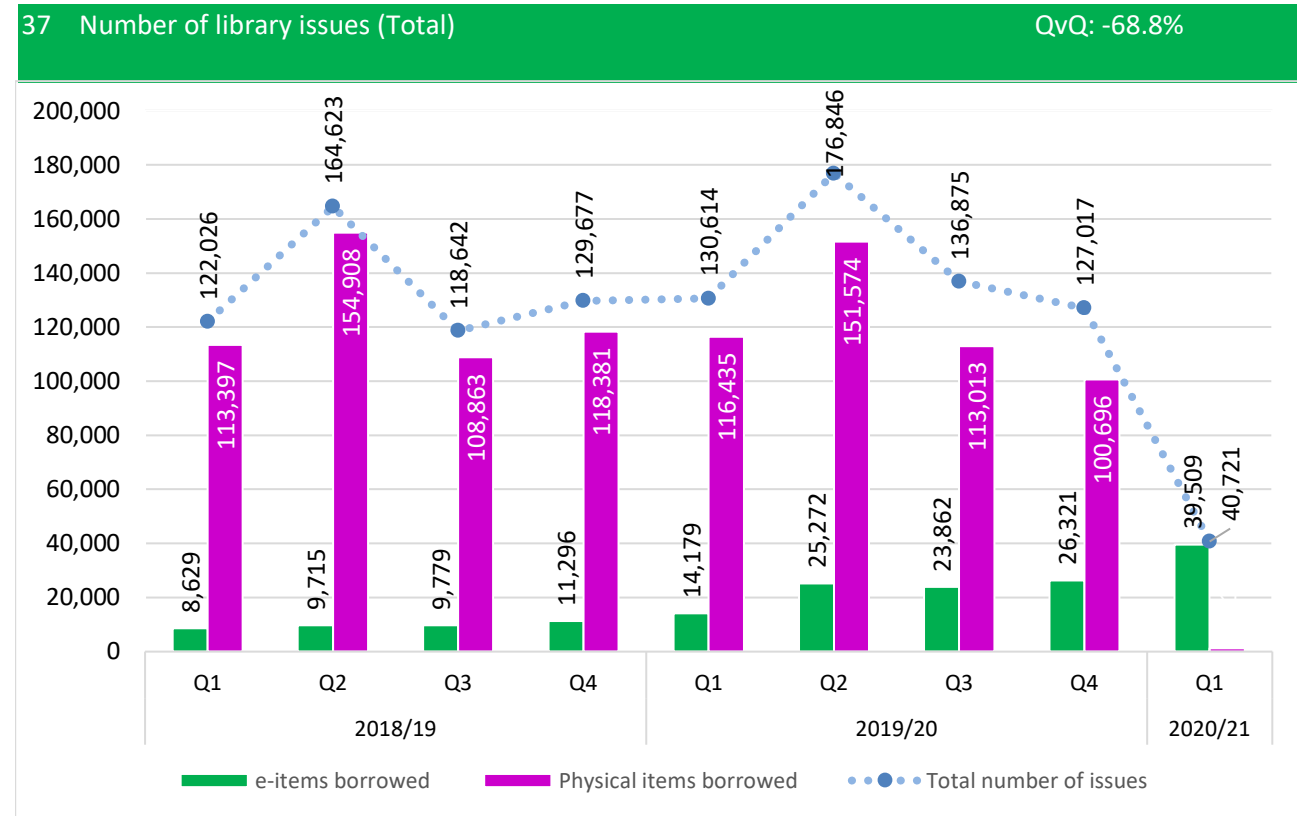
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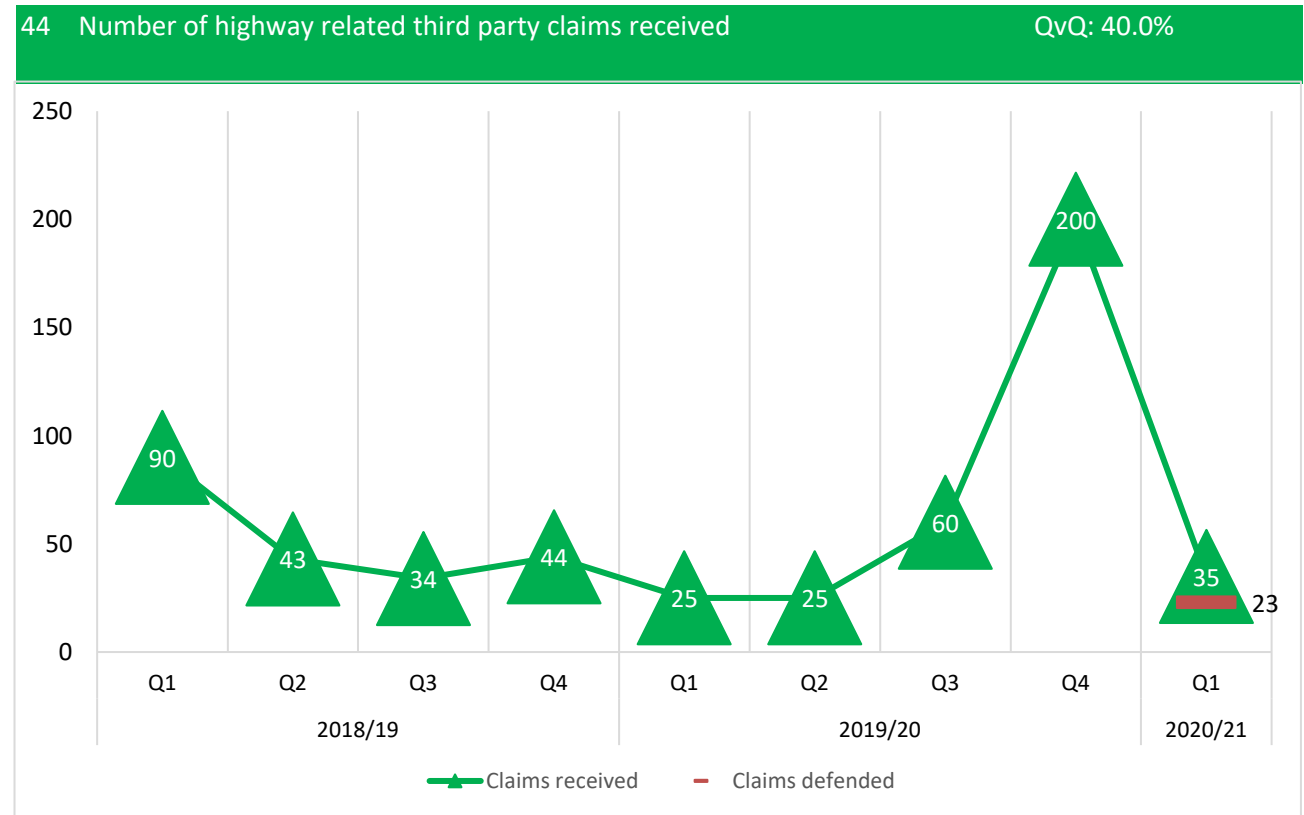
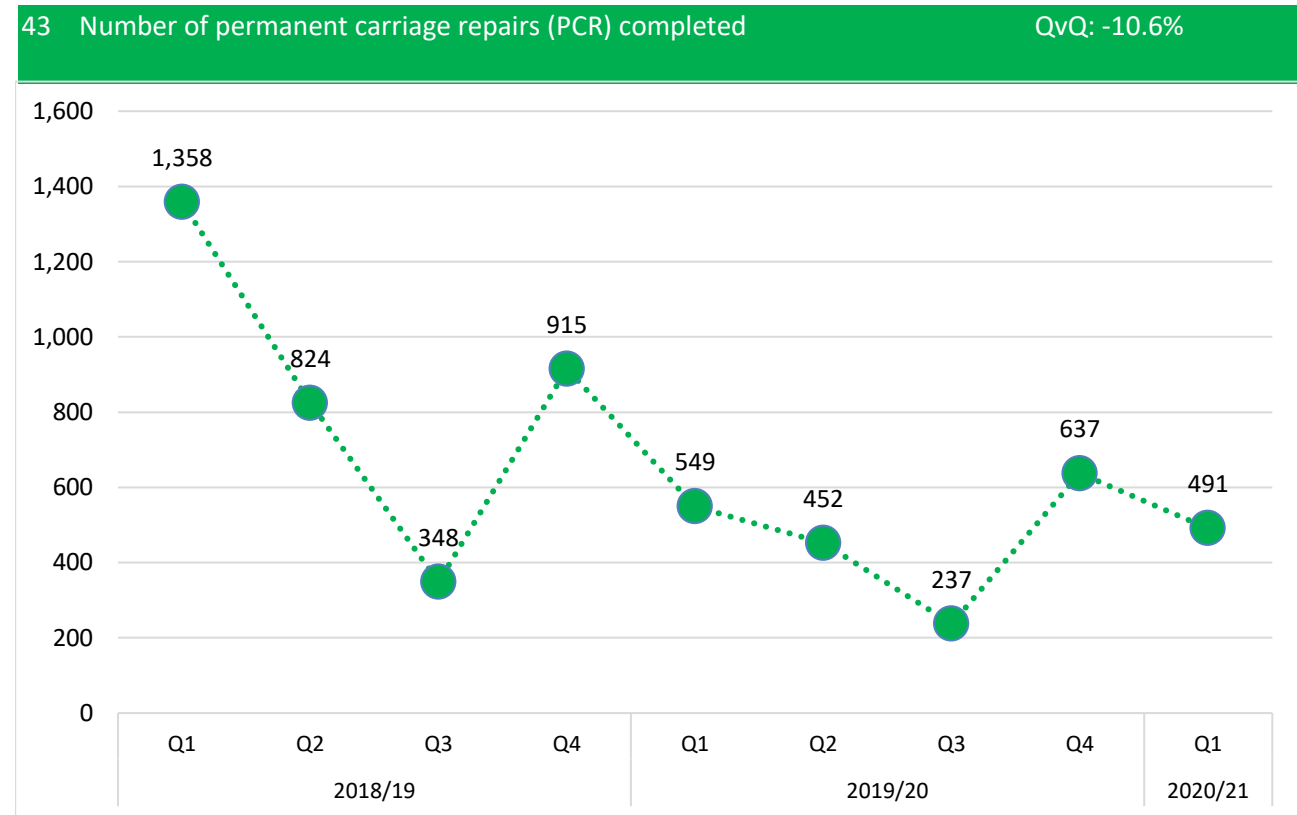
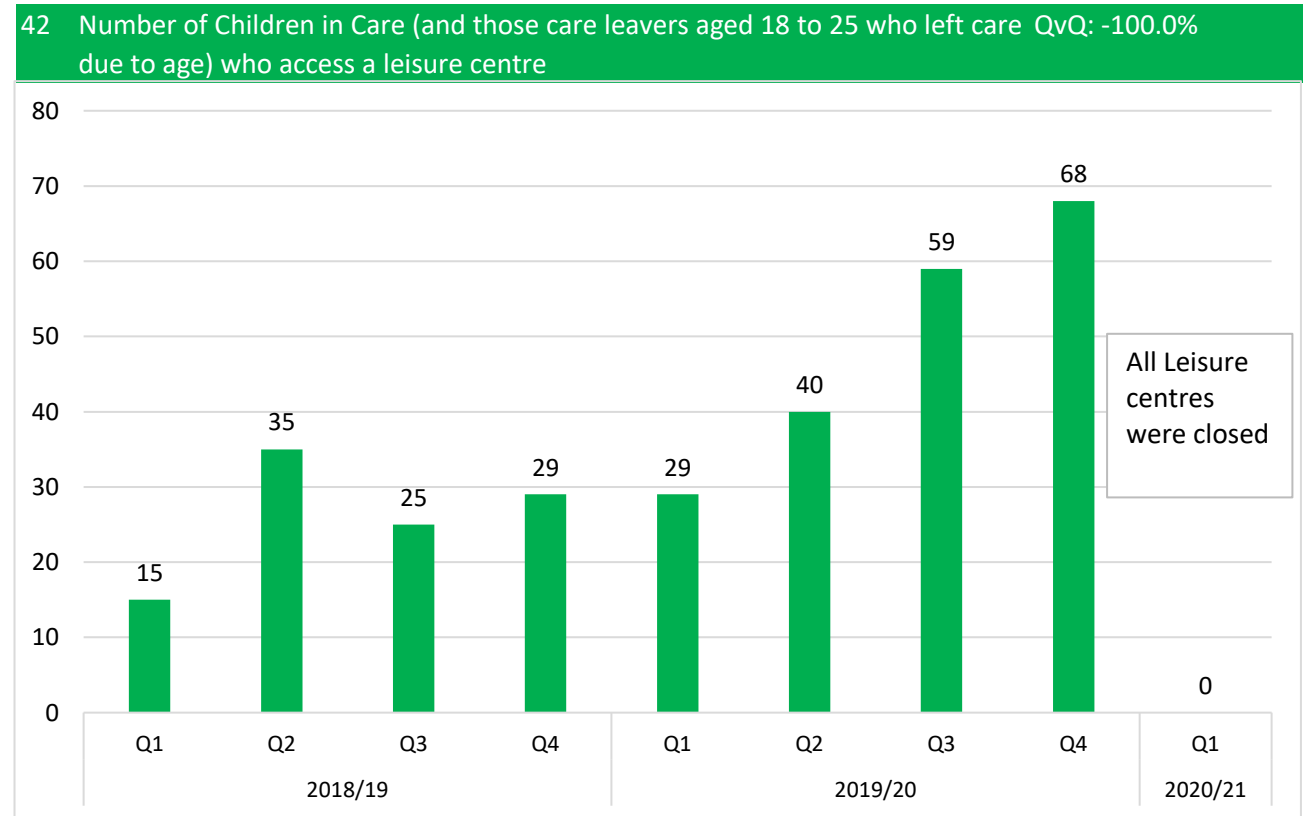
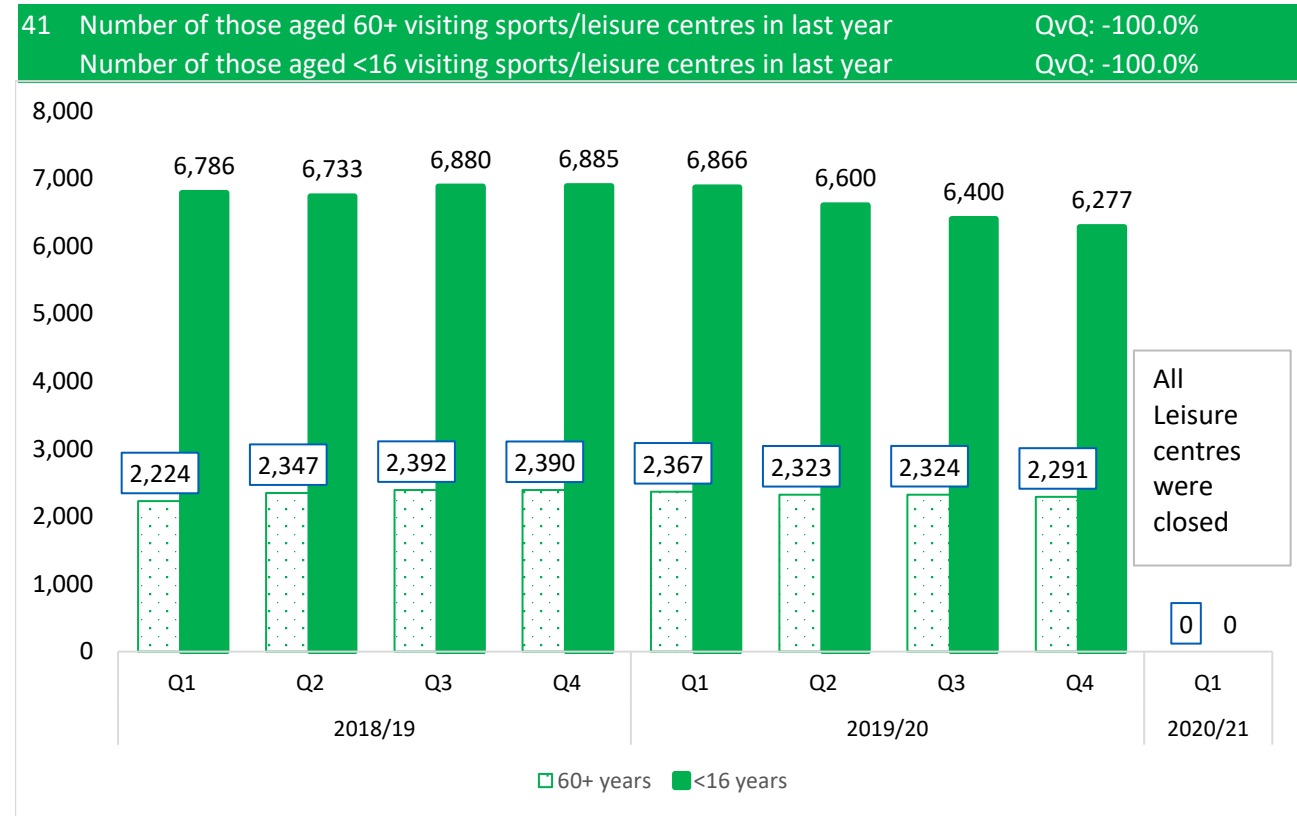
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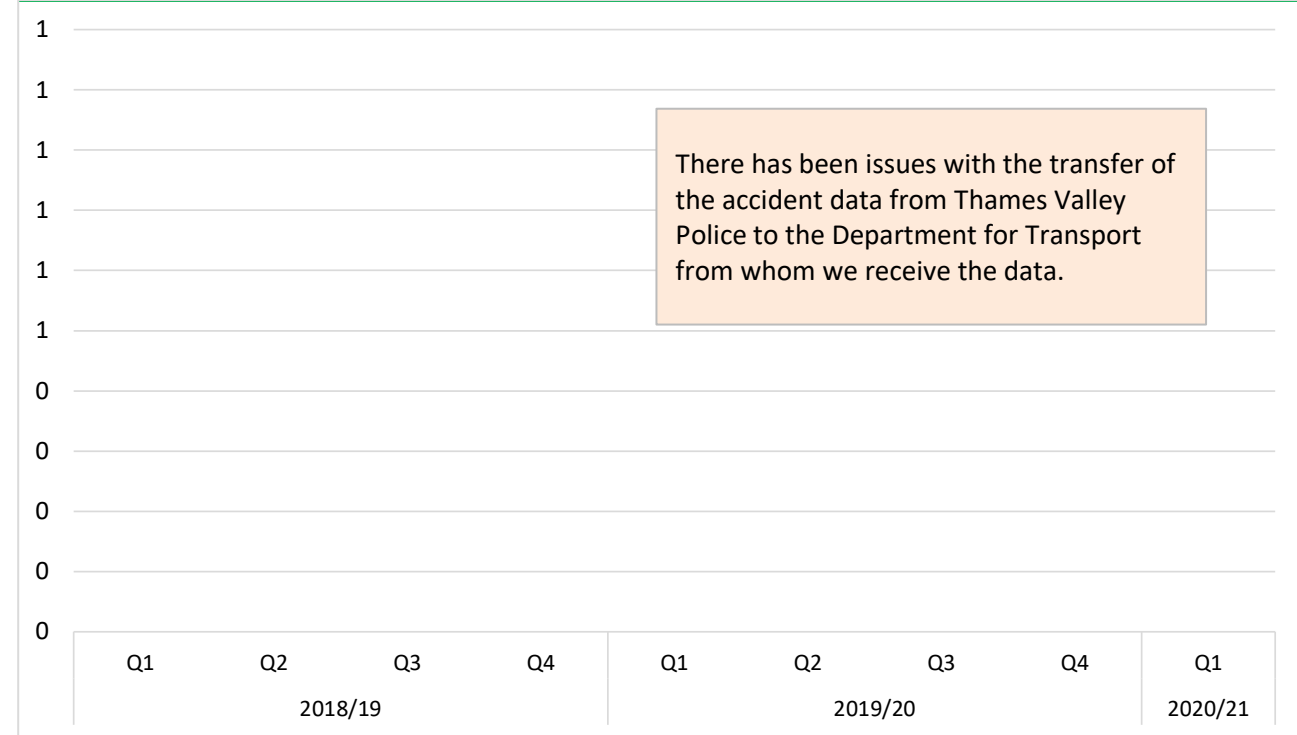
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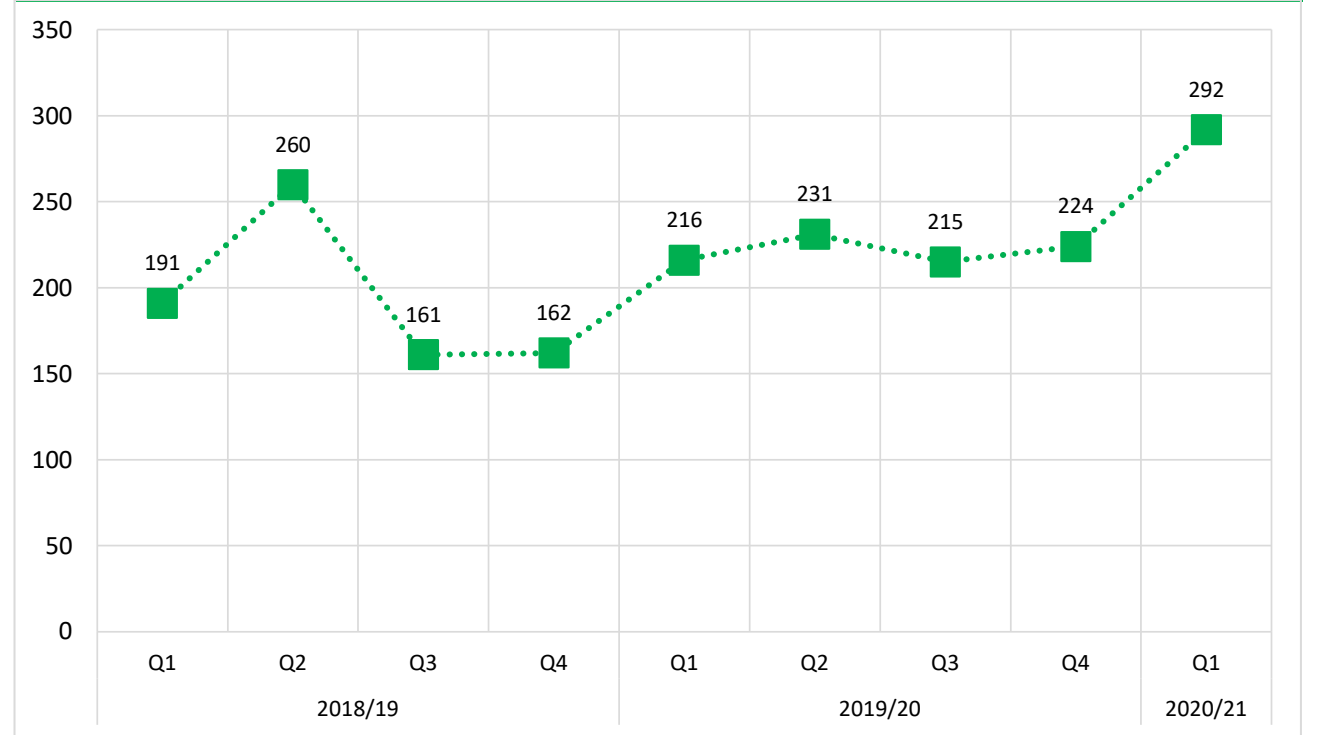
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45 Number of people killed or seriously injured on roads in West Berkshire (incl. Highway Agency roads) QvQ: -



46 Number of flytips reported QvQ: 35.2%



Andy Sharp / Pete Campbell			Children and Family Service				Q1 2020/21	AMBER
Indicator Ref:			% of Children in Care where the child has been visited in the past 6 weeks (or 12 weeks if this is the agreed visiting schedule)				Type: Snapshot	
Executive	2018/19 Year End	2019/20 Year End	2020/21				Target	Polarity
			Q1	Q2	Q3	Q4		
RAG	■	■	◆				≥95%	Higher is better
Qrtly outturn	-	-	-					
YTD outturn	(164/173) 94.8%	(145/158) 91.8%	(63/150) 42.0%					

REASON FOR AMBER:

We are only classing a visit as 'statutory' if it is carried out face to face. The coronavirus pandemic has meant that this has not always been possible in recent weeks. Performance rises to 96% if telephone and video meetings are also included. We have also chosen not to exercise the 'easements' that have been afforded by the Coronavirus Act 2020.

REMEDIAL MANAGEMENT ACTION BEING UNDERTAKEN, ALTERNATIVE PLANS AND EXPECTED IMPROVEMENT:

Visits are increasingly being carried out face to face and, provided that this can continue, performance against this indicator will improve. The target remains achievable by year end and no remedial action is required.

IMPACT ON OTHER MEASURES: Not applicable

STRATEGIC ACTIONS REQUIRED: None required.

Joseph Holmes / Andy Walker			Finance & Property				Q1 2020/21	RED
Indicator Ref:			Non domestic rates collected as percentage non domestic rates due				Type: Snapshot	
Executive	2018/19 Year End	2019/20 Year End	2020/21				Target	Polarity
			Q1	Q2	Q3	Q4		
RAG	★	★	■				98.8%	Higher is better
Qrtly outturn	-	-	-					
YTD outturn	(251,705,119/ 355,628,967) 98.4%	(88,068,975/ 89,028,134) 98.9%	(15,038,824/ 55,154,964) 27.27%					
REASON FOR RED:								
For comparison, Q1 2019/20 = (30,558,961/89,903,445) 34.0%								
Covid-19 has had a massive effect on collection. Many businesses have been closed since March resulting in the Council stopping all Direct Debits payments in April or May. Additional relief has been awarded to those who qualify but cash payments have remained limited.								
The Council also decided not to issue any 'recovery' letters or to use any enforcement action.								
REMEDIAL MANAGEMENT ACTION BEING UNDERTAKEN, ALTERNATIVE PLANS AND EXPECTED IMPROVEMENT:								
Decision to be taken next month* (August) as to whether recovery and enforcement action can start.								
* Note: Update following the Executive Meeting held on 3 September 2020 - Gold Group has decided that soft reminders should be sent.								
FINANCIAL IMPLICATIONS: Loss of income to the Council								
IMPACT ON OTHER MEASURES: This will have affected the council's income / cash flow.								
SERVICE PLAN UPDATES REQUIRED: None								
STRATEGIC ACTIONS REQUIRED: None								

Andy Sharp / Paul Coe			Adult Social Care				Q1 2020/21	RED
Indicator Ref: CBgasc2			% of WBC provider services inspected by Care Quality Commission (CQC) that are rated good or better by CQC in the area of "safe"				Type: Snapshot	
Executive	2018/19 Year End	2019/20 Year End	2020/21				Target	Polarity
			Q1	Q2	Q3	Q4		
RAG	■	■	■				100%	Higher is better
Qrtly outturn	-	-	-					
YTD outturn	5/6 83.3%	4/6 66.7%	4/6 66.7%					
REASON FOR RED:								
<p>Birchwood Nursing Home was re-inspected in July 2019 and achieved an overall rating of Requires Improvement (RI); published in September 2019. There were improvements within the 5 domains and 2 achieved a rating of Good, but this did not change the overall rating. The next Inspection is expected in November 2020.</p> <p>Walnut Close was inspected in September 2019 with a published report in December 2019. The Home achieved a rating of RI overall and in all domains with the exception of Caring. One issue for Walnut, causing breaches in regulation leading to an RI rating, related to the fabric of the building and internal maintenance which was deemed to be poor.</p>								
REMEDIAL MANAGEMENT ACTION BEING UNDERTAKEN, ALTERNATIVE PLANS AND EXPECTED IMPROVEMENT:								
<p>An external consultant was commissioned to review environment and practice in Birchwood and work directly with the home on specific areas of activity to improve the rating for 2020. This work began towards the end of 2019 and is ongoing during 2020. Further action plans have been developed and implemented.</p> <p>Similarities in practice apply across all our homes and it is reasonable to assume all will benefit from actions drawn from this work.</p> <p>Positively; Willows Edge was recently inspected (Feb 2020) and the overall outcome achieved was good in all 5 areas. It is clear that some of the recent work is having a positive impact.</p> <p>Focus in Q1 has been on adapting to and supporting the Coronavirus Pandemic.</p>								

During the Covid pandemic, the CQC has been undertaking virtual assurance checks because site visits are not considered appropriate. These checks have taken place for all four homes during the last two months and no concerns have been raised.

FINANCIAL IMPLICATIONS:

Both Birchwood and Walnut Close had a high number of COVID infections. 2 impacts - closed to new admissions and high number of deaths means occupancy has decreased during Q1

IMPACT ON OTHER MEASURES: None

SERVICE PLAN UPDATES REQUIRED: None, as this is already incorporated in the ASC Service Plan and monitored through the Council Delivery Plan.

STRATEGIC ACTIONS REQUIRED: None

John Ashworth / Gary Lugg			Development and Planning				Q1 2020/21	AMBER
Indicator Ref:			% of planning appeals won				Type: %+	
Executive	2018/19 Year End	2019/20 Year End	2020/21				Target	Polarity
			Q1	Q2	Q3	Q4		
RAG	-	★	◆				65% (England Average)	Higher is better
Qrtly outturn	-	-	-					
YTD outturn	-	51 / 63 81%	5 / 9 55.6%					

REASON FOR AMBER:

There is no particular change in circumstances within the Service that has caused this outcome for the Quarter. Which appeals are submitted, when those appeals are made, and also when those appeals are determined, are outside the control of the Service. There has been an impact on the timeliness of decisions coming through for appeals from the Inspectorate as a result of COVID-19 and some of these decisions may have come through in an earlier Quarter had this particular circumstance not occurred. These decisions all relate to appeals lodged between October 2019 and December 2019. The number of appeals is low and therefore greater percentage swings are likely over the short Quarterly reporting periods as opposed to the full Year End outcome. As this is Quarter 1 it is expected that appeal decisions can balance out over the Year. The live YTD position on this indicator is 64%.

REMEDIAL MANAGEMENT ACTION BEING UNDERTAKEN, ALTERNATIVE PLANS AND EXPECTED IMPROVEMENT:

Monitoring of the Inspectorate's appeal decisions and the comments made in them about the original decisions made (which lead to the need to appeal) are monitored after the receipt of each decision. A Quarterly report is prepared within the Service to summarise the appeal decisions and provide feedback on some of the key findings. This report is presented at the Portfolio Holder Briefings. There is currently no identifiable adverse pattern in respect of appeal decisions. If a pattern was to emerge, any necessary remedial management action would be identified and implemented.

IMPACT ON OTHER MEASURES: None.

STRATEGIC ACTIONS REQUIRED: None.

Andy Sharp / Paul Coe			Adult Social Care				Q1 2020/21	RED
Indicator Ref:			Agree and publish a strategic framework to improve the employment opportunities of vulnerable people				Type: text	
Executive	2018/19 Year End	2019/20 Year End	2020/21				Target	Polarity
			Q1	Q2	Q3	Q4		
RAG			■				September 2020	-
Qrtly outturn	-	-						
YTD outturn	-	-	Delayed					
<p>REASON FOR RED:</p> <p>This piece of work has not progressed significantly during Q1 due to competing priorities and the challenge of engaging with other partners during a time of change and uncertainty.</p> <p>REMEDIAL MANAGEMENT ACTION BEING UNDERTAKEN, ALTERNATIVE PLANS AND EXPECTED IMPROVEMENT:</p> <p>Some focused work has now been undertaken but the target date does not currently seem achievable, however an alternative date of December 2020 would be possible. Please note that a new Provider has now begun to deliver the Supported Employment service (commissioned through the Voluntary Sector Prospectus) and they will be an important partner.</p> <p>FINANCIAL IMPLICATIONS: None</p> <p>IMPACT ON OTHER MEASURES: None</p> <p>SERVICE PLAN UPDATES REQUIRED: New target date of end of December 2020.</p> <p>STRATEGIC ACTIONS REQUIRED: None</p>								

Technical Conventions

This report sets out the Council's progress against its Priorities for Improvement set out in the [Council Strategy](#). Performance is presented by priority and augmented with Influencer measures to further describe the operating environment and / or challenges.

Activities are monitored within the council priorities and RAG rated by projected year end performance, e.g. a prediction of whether the target or activity will be achieved by the end of the financial year (or, for projects, by the target date):

Red (R)	Indicates that we have either not achieved (or do not expect to achieve) the activity or target by year end, or the specified target date.
Amber (A)	Means we are behind schedule, but still expect to achieve or complete the measure or activity by year end, or the specified target date.
Green (G)	Means we have either achieved or exceeded (or expect to achieve or exceed) what we set out to do.
Annual	Indicates that the measure that can only be reported against at a particular point in time e.g. at quarter 4.
Baseline	Means that the measure is not targeted and the results are provided as a baseline for future monitoring.
Data not available (dna)	Indicates that the quarterly data is not yet available and will be updated at a later date, usually the following quarter.
Data not provided (dnp)	Means that data has not been provided and will be updated at a later date, usually the following quarter
(E)	Indicates a result is an estimate and will be updated during the year, as and when data becomes available.
(P)	Means a result is provisional and subject to further validation e.g. from an external body, and will be updated during the year, as and when data becomes available.

Where a measure is reported as 'amber' or 'red', an exception report is provided. This identifies the reasons for this assessment and shows what remedial action has been put in place to either bring the measure back on target or to mitigate the consequence of it not being achieved; and whether any Strategic action is required.

Benchmarking

Where possible our progress is compared to all English single tier and county councils, where available, by quartile and rank. Due to the timescales involved in central government publication these are usually available 6-12 months in arrears.

Influencer Measures

Non-targeted measures are reported to either illustrate the demand on a service or provide context for the demand, e.g. economic activity.

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2020/21 Revenue Financial Performance Quarter One

Committee considering report:	Overview and Scrutiny Management Commission on 6 October 2020
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	14 August 2020
Report Author:	Melanie Ellis
Forward Plan Ref:	EX3905

1 Purpose of the Report

1.1 To report on the in-year financial performance of the Council's revenue budgets.

2 Recommendation

2.1 To note the Quarter One forecast of £590k under spend.

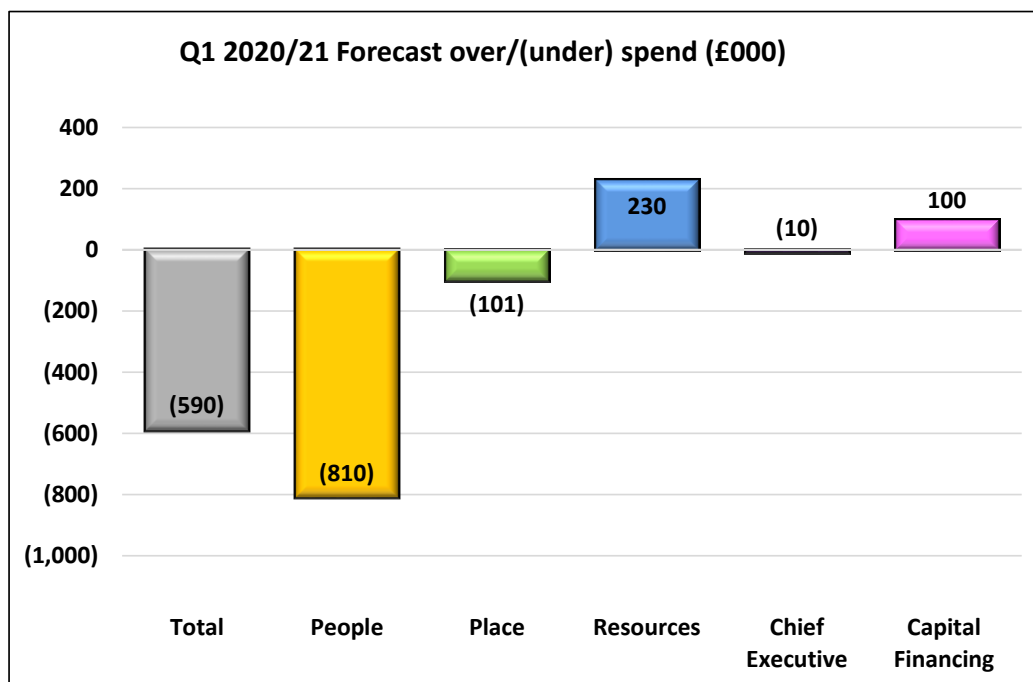
3 Implications and Impact Assessment

Implication	Commentary
Financial:	The financial implications are included in detail throughout the report. Any over or under spend remaining at year end would impact on the Council's level of reserves. Melanie Ellis 22.7.20
Human Resource:	None
Legal:	None
Risk Management:	Risks to next years' budget are included where relevant in the report. Where identified these will form part of the budget build process for 2021/22.
Property:	Impact on income due to an unlet commercial property.
Policy:	No

	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		Y		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		Y		
Environmental Impact:		Y		
Health Impact:		Y		
ICT Impact:		y		
Digital Services Impact:		y		
Council Strategy Priorities:		y		Business as usual
Core Business:		y		
Data Impact:		y		
Consultation and Engagement:	Budget holders, Heads of Service and Directors.			

4 Executive Summary

4.1 The Quarter One forecast is an under spent of £590k, which is 0.5% of the Council's 2020/21 net revenue budget of £130m.



4.2 The People Directorate is forecasting an under spend of £810k, arising from Adult Social Care (ASC) and Children and Family Services (CFS).

- In ASC, long term services is forecast to be £844k under spent, generated by higher levels of deceased clients due to Covid-19, with an additional 51 deaths compared to the same quarter last year. There is a forecast income pressure of £311k in the four council care homes due to falling occupancy.
- In CFS, the forecast under spend of £247k is in placements, where since the end of the financial year 2019/20, there has been a decrease in the number of clients. The Quarter One forecast allows for an increase to client numbers during the financial year, as there are indications that the impact of Covid-19 pressures on families may result in an increase in children entering care.

4.3 The Place Directorate is forecasting an under spend of £101k.

- There is a £76k under spend in Development and Planning largely due to vacancies in the Minerals and Waste team and additional rental income in the Housing service. Development control income is forecast to under achieve, after taking account of Covid-19 grants, due to a reduced level of planning applications.
- Public Protection and Culture are forecasting an over spend of £75k arising from income pressures in Shaw House, building control and libraries.
- Transport and Countryside are forecasting an under spend of £99k mainly from increased energy from waste and garden waste subscriptions which are anticipated to exceed target.

- 4.4 The Resources Directorate has a £230k forecast over spend. The main variances are:
- In Finance and Property, an over spend of £123k has arisen from a vacant commercial property and unbudgeted rates and service charges, that will need to be factored into next year's budget.
 - Legal and Strategic Support is forecasting an over spend of £115k from unachievable income in land charges, graphics, digital transformation and an as yet unmet savings target (which may be compensated via the Covid-19 grant).
- 4.5 The Capital Financing Quarter One forecast position is a £100k over spend, which relates to a corporate commercialisation target that is not achievable. This will be removed as part of the 2021/22 budget build.
- 4.6 The 2020/21 savings and income generation programme of £3.2m, is 82% Green, 16% Amber and 2% Red.

Covid-19 impact on the 2020/21 budget

- 4.7 There will continue to be a significant impact on the 2020/21 budget due to Covid-19. To date, the Council has been awarded three tranches of expenditure funding from Central Government to mitigate the initial impact of Covid-19 totalling £8.6m of un-ring-fenced funding. In addition to this there will be funding for lost income, which could total between £1m and £2m depending on the terms of the funding.
- 4.8 The latest assessment is that the funding provided by Government and the income scheme below are sufficient for the 2020-21 Financial Year based on current estimates. Clearly, these can fluctuate, and will in light of further impacts from the Covid-19 outbreak. The Council also has general reserves to support further impacts and these are above the minimum level set by the s151 officer. Further detail is provided in the main report.
- 4.9 Service Covid related expenditure, lost income and unmet savings are being recorded and estimated and reported to GOLD. The latest forecast through to March 2021 is that the Council faces expenditure and income pressures of £10.7m for 2020/21. At Quarter One, £1.5m of the grant funding has been transferred to services. This will continue to be transferred on a quarterly basis. The assumptions in budget monitoring is that there will be enough funding to cover all losses. The longer term position will require further analysis and announcements from Central Government on the funding position for Local Government, before the impact on 2021/22 and beyond is known.
- 4.10 The Council has submitted a fourth forecast to Central Government on the Covid-19 financial impact at the end of July and awaits any response to this and the finalisation of the income guarantee scheme.

Conclusion

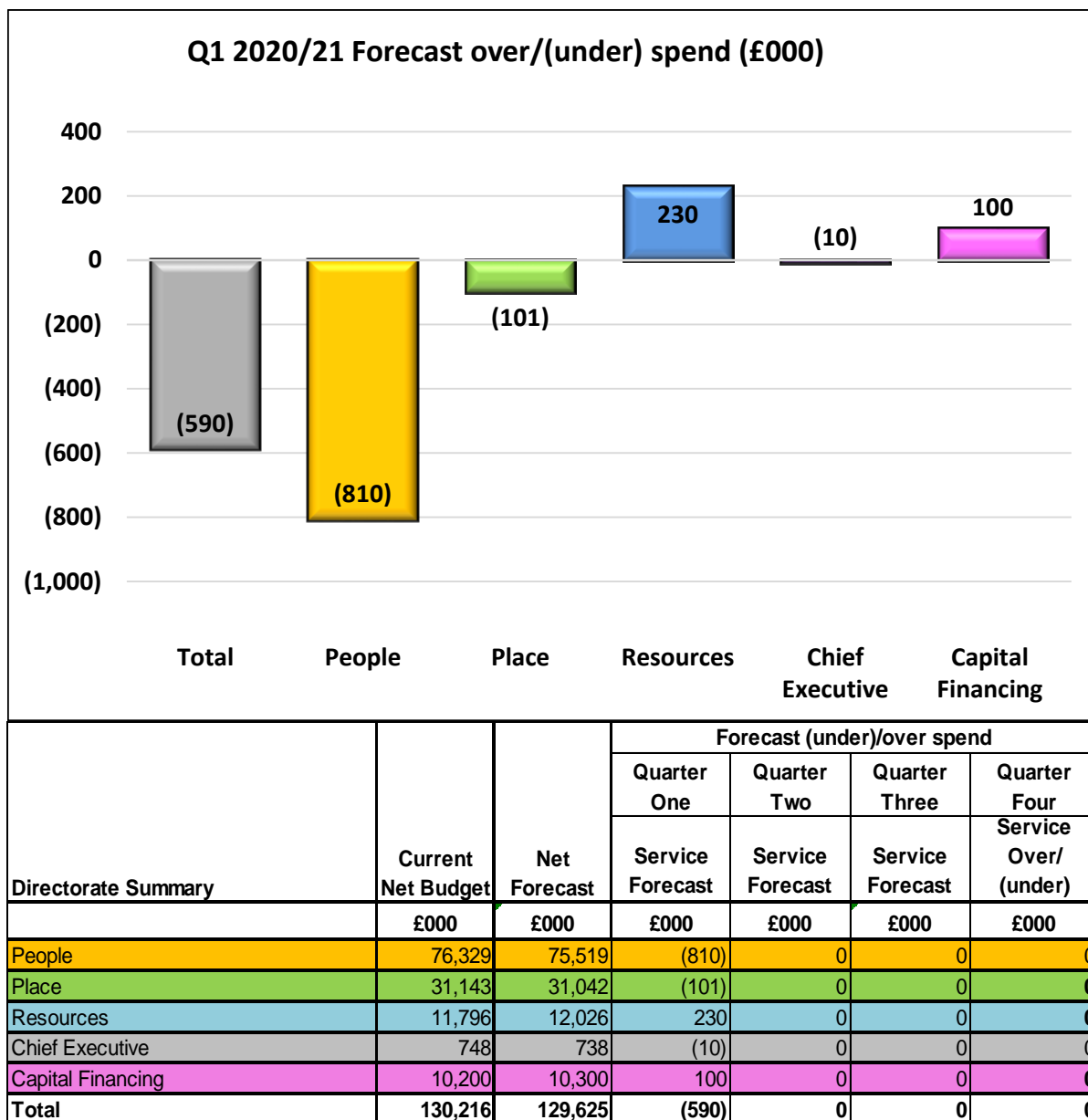
- 4.11 The Council is forecasting an under spend of £590k. The report highlights each directorate position and any implications for budget setting in 2021/22. There is a £3.2m savings and income generation programme which is forecasting 82% achieved at Quarter One. The Covid-19 grant funding received from Government to date, and the

Council’s level of general fund reserves mean that the Council is well placed to focus its efforts on response and recovery from the Covid-19 in the current financial year.

5 Supporting Information

Introduction

5.2 The Quarter One forecast is an under spend of £590k. This is 0.5% of the Council’s 2020/21 net revenue budget of £130m. The Directorate forecasts are shown in the charts below:



5.3 The Service forecasts are shown in the following chart:

2020/21 Revenue Financial Performance Quarter One

	Current Net Budget	Net Forecast	Forecast over/ (under) spend			
			Quarter One	Quarter Two	Quarter Three	Quarter Four
			Service Forecast	Service Forecast	Service Forecast	Over/ (under) spend
	£000	£000	£000	£000	£000	£000
Adult Social Care	50,508	49,920	(588)	0	0	0
Children & Family Services	17,179	16,931	(247)	0	0	0
Executive Director	336	340	3	0	0	0
Education DSG funded	(444)	(444)	0	0	0	0
Education	8,830	8,851	22	0	0	0
Public Health & Wellbeing	(80)	(80)	0	0	0	0
People	76,329	75,519	(810)	0	0	0
Executive Director	197	197	0	0	0	0
Development & Planning	3,180	3,104	(76)	0	0	0
Public Protection & Culture	3,895	3,970	75	0	0	0
Transport & Countryside	23,871	23,772	(99)	0	0	0
Place	31,143	31,042	(101)	0	0	0
Executive Director	101	101	0	0	0	0
Commissioning	799	742	(58)	0	0	0
Customer Services & ICT	2,983	3,042	59	0	0	0
Finance & Property	2,887	3,010	123	0	0	0
Human Resources	1,704	1,694	(10)	0	0	0
Legal and Strategic Support	3,322	3,437	115	0	0	0
Resources	11,796	12,026	230	0	0	0
Chief Executive	748	738	(10)	0	0	0
Capital Financing	11,197	11,297	100	0	0	0
Movement through Reserves	(996)	(996)	0	0	0	0
Capital Financing	10,200	10,300	100	0	0	0
Total	130,216	129,625	(590)	0	0	0

NB: Rounding differences may apply to the nearest £k.

People Directorate

5.4 The Directorate is forecasting an under spend of £810k, arising from Adult Social Care (ASC) and Children and Family Services (CFS).

- In ASC, long term services is forecast to be £844k under spent, generated by higher levels of deceased clients due to Covid-19, with an additional 51 deaths compared to the same quarter last year. There is a forecast income pressure of £311k in the four council care homes due to falling occupancy. Covid-19 has had a significant impact on client numbers, but the full impact is not yet clear. Forecasts are based on a number of assumptions that will be updated monthly during the financial year.
- In CFS, the forecast under spend of £247k is in placements. Since the end of the financial year 2019/20, there has been a decrease in the number of clients,

particularly in-house fostering placements and unaccompanied asylum seekers (UASC). The Quarter One forecast allows for an increase to client numbers during the financial year, as there are indications that the impact of Covid-19 pressures on families may result in an increase in children entering care.

Place Directorate

5.5 The Directorate is forecasting an under spend of £101k.

- There is a £76k under spend in Development and Planning largely due to vacancies in the Minerals and Waste team and additional rental income in the Housing service. Development control income is forecast to under achieve, after taking account of Covid-19 grants, due to a reduced level of planning applications.
- Public Protection and Culture are forecasting an over spend of £75k arising from income pressures in Shaw House, building control and libraries.
- Transport and Countryside are forecasting an under spend of £99k mainly from increased energy from waste and garden waste subscriptions which are anticipated to exceed target.

Resources Directorate

5.6 The Directorate has a £230k forecast over spend. The main variances are:

- In Finance and Property, an over spend of £123k has arisen from a vacant commercial property and unbudgeted rates and service charges, that will need to be factored into next year's budget.
- Legal and Strategic Support is forecasting an over spend of £115k from unachievable income in land charges, graphics, digital transformation and an as yet unmet savings target (which may be compensated via the Covid-19 grant).

Chief Executive

5.7 An under spend of £10k is being forecast in the contingency budget.

Capital Financing and Risk Management

5.8 The Quarter One forecast position is a £100k over spend, which relates to a corporate commercialisation target that is not achievable. This will be removed as part of the 2021/22 budget build.

Covid-19 impact on the 2020/21 budget

5.9 There will continue to be a significant impact on the 2020/21 budget due to Covid-19. To date, the Council has been awarded three tranches of expenditure funding from Central Government to mitigate the initial impact of Covid-19 totalling £8.6m of un-ring-fenced funding. In addition to this there will be funding for lost income, which could total between £1m and £2m depending on the terms of the funding.

5.10 The Council has received other specific funding as part of the response to Covid-19. There are a range of funds, and some of the key areas include:

- £29m for business grants to specific businesses

- £548k local council tax welfare support
- £108k for supported bus services
- £140k for high streets
- £1,401k for infection control
- £540k Public Health test and trace
- £170k new burdens funding
- £124k for active travel funding (capital) for cycling and walking provision

5.11 The funding received from Government to date, and the Council's level of general fund reserves mean that the Council is well placed to focus its efforts on response and recovery from the Covid-19 in the current financial year.

5.12 The table below sets out some of the key items raised during Covid-19 and the response provided through the Council.

Item	Response
<p>Additional expenditure pressures – especially:</p> <ul style="list-style-type: none"> - Adult Social Care - Leisure services - Community Hub - Housing 	<p>Government have provided non ring-fenced funding of £8.6m to support the Council in its response to Covid-19. This figure has been received in three separate tranches.</p> <p>The Council monitors this on a weekly basis.</p> <p>The latest assessment is that the funding provided by Government and the income scheme below are sufficient for the 2020-21 Financial Year based on current estimates. Clearly, these can fluctuate, and will in light of further impacts from the Covid-19 outbreak. The Council also has general reserves to support further impacts and these are above the minimum level set by the s151 officer.</p>
<p>Income pressures, the most significant being:</p> <ul style="list-style-type: none"> - Car parking income - Adult Social Care - Other Sales, fees and charges 	<p>Government have provided an income share scheme. The details, at the time of writing, have not been provided in full, but the overview is:</p> <ul style="list-style-type: none"> - That the Council funds the first 5% of losses - That the Council shares 25% and Government 75% of all further losses.

Item	Response
Cashflow risks	Government provided up front funding of, for example, business grants and paused the payment required for business rates
<p>Specific grants provided by Government for key areas of activity, for example (though not exhaustive);</p> <ul style="list-style-type: none"> - £1.4m for care home infection grant - £0.1m for high street support - £0.5m for outbreak control - £0.6m for Council Tax support - £0.1m for Active Travel 	These funds are being applied to support service specific pressures and/or to provide services through the grant.
Losses on Council Tax and Business Rates	<p>The Council Tax collection rate has held up well to date; collection is marginally down, but the Council did offer the ability to amend the two months of non Council Tax payment to early in the financial year.</p> <p>The Council made a quick early decision in March to suppress business rates recovery and the initial direct debit to support businesses. The Government have also provided a significant amount of business rates reliefs.</p> <p>The Government have announced that the collection fund deficit can be spread across a three year period rather than one year. This option will be considered as part of the budget setting process for the March Council.</p>
Impact on 201-22 budget setting	<p>The long term flow of changed costs and lost income is difficult to estimate in detail. However, the budget for the year ahead is being prepared with adjustments for Covid-19.</p> <p>The Government has also paused the roll out of the fair funding review and further retention of business rates which reduces by just over £1m the savings requirement for 2021-22 on the assumption that all changes are paused, including the rest of business rates baselines.</p>

5.13 The longer term position will require further analysis and announcements from Central Government on the funding position for Local Government, before the impact on 2021/22 and beyond is known. The Government have announced a pause to the fair

funding review for 2021/22 and so the Council is planning for a similar financial settlement for 2021/22 as it received in 2020/21.

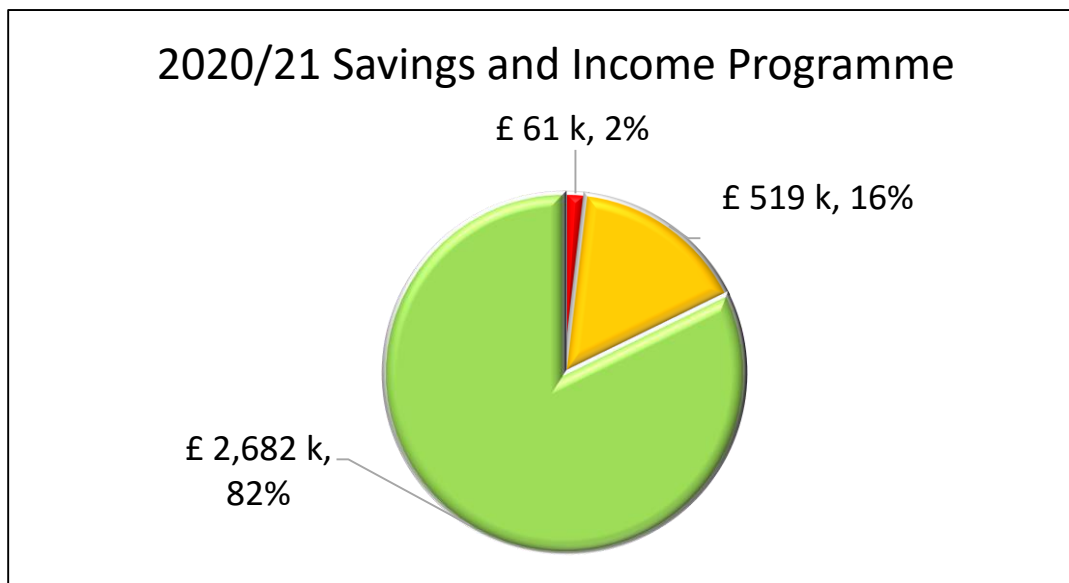
5.14 Service Covid related expenditure, lost income and unmet savings are being recorded and estimated and reported to GOLD. The latest forecast through to March 2021 is that the Council faces expenditure and income pressures of £10.7m for 2020/21, though these estimates fluctuate significantly and are dependent on how the Covid-19 response progresses and people's behavioural change to this. The Main areas of financial pressure for the Council are:

- Adult Social Care costs
- Children's service costs
- Reduced or delayed planning income
- Reduced car parking income
- Additional leisure services costs
- Funding the Community Hub
- Loss of income from other Council service areas

5.15 At Quarter One, £1.5m of the grant funding has been transferred to services. This will continue to be transferred on a quarterly basis. The assumptions in budget monitoring is that there will be enough funding to cover all losses. The longer term position will require further analysis and announcements from Central Government on the funding position for Local Government, before the impact on 2021/22 and beyond is known.

2019/20 Savings and income generation programme

5.16 In order to meet the funding available, the 2020/21 revenue budget was built with a £3.2m savings and income generation programme. The programme is monitored using the RAG traffic light system. The status of the programme is shown in the following charts



Proposals

5.17 To note the Quarter One forecast.

6 Other options considered

6.1 None.

7 Conclusion

7.1 The Council is forecasting an under spend of £590k. The report highlights each directorate position and any implications for budget setting in 2021/22. There is a £3.2m savings and income generation programme which is forecasting 82% achieved at Quarter One. The Covid-19 grant funding received from Government to date, and the Council’s level of general fund reserves mean that the Council is well placed to focus its efforts on response and recovery from the Covid-19 in the current financial year.

8 Appendices

8.1 Appendix A – Forecast position

8.2 Appendix B – Budget changes

Appendix A – Forecast position

	Budget		Forecasted Performance						
	Original Budget for 2020/21 £	Revised Budget for 2020/21 £	Expenditure			Income			Net
			Annual Expenditure Budget for 2020/21 £	Annual Expenditure Forecast for 2020/21 £	Expenditure Variance for 2020/21 £	Annual Income Budget for 2020/21 £	Annual Income Forecast for 2020/21 £	Income Variance for 2020/21 £	Net Variance £
Adult Social Care	50,220,510	50,508,430	69,413,620	69,316,677	-96,943	-18,905,190	-19,396,180	-490,990	-587,933
Childrens and Family Services	17,102,250	17,178,510	19,155,130	18,943,760	-211,370	-1,976,620	-2,012,600	-35,980	-247,350
Executive Director - People	249,440	336,440	336,440	339,930	3,490	0	0	0	3,490
Education (DSG Funded)	-444,000	-444,000	108,034,100	108,034,100	0	-108,478,100	-108,478,100	0	0
Education	8,829,540	8,829,540	12,221,200	12,081,910	-139,290	-3,391,660	-3,230,540	161,120	21,830
Public Health & Wellbeing	-80,000	-80,000	5,951,590	5,911,590	-40,000	-6,031,590	-5,991,590	40,000	0
People	75,877,740	76,328,920	215,112,080	214,627,967	-484,113	-138,783,160	-139,109,010	-325,850	-809,963
Corporate Director - Economy & Environment	197,080	197,080	197,080	197,080	0	0	0	0	0
Development and Planning	3,070,650	3,179,740	6,007,530	5,769,190	-238,340	-2,827,790	-2,665,450	162,340	-76,000
Public Protection and Culture	3,903,550	3,895,150	9,255,920	9,264,420	8,500	-5,360,770	-5,294,770	66,000	74,500
Transport and Countryside	23,795,330	23,871,190	34,800,030	34,655,930	-144,100	-10,928,840	-10,883,950	44,890	-99,210
Place	30,966,610	31,143,160	50,260,560	49,886,620	-373,940	-19,117,400	-18,844,170	273,230	-100,710
Executive Director - Resources	120,870	100,870	100,870	100,870	0	0	0	0	0
Commissioning	814,420	799,340	10,300,370	10,268,570	-31,800	-9,501,030	-9,526,830	-25,800	-57,600
Customer Services and ICT	2,970,540	2,982,920	3,837,330	3,786,780	-50,550	-854,410	-744,540	109,870	59,320
Finance and Property	2,823,670	2,886,810	47,634,510	46,913,470	-721,040	-44,747,700	-43,903,390	844,310	123,270
Human Resources	1,723,870	1,703,670	2,103,600	2,138,220	34,620	-399,930	-444,550	-44,620	-10,000
Legal and Strategic Support	3,004,900	3,321,920	4,007,460	3,989,620	-17,840	-685,540	-552,430	133,110	115,270
Resources	11,458,270	11,795,530	67,984,140	67,197,530	-786,610	-56,188,610	-55,171,740	1,016,870	230,260
Chief Executive	833,510	747,830	757,830	747,830	-10,000	-10,000	-10,000	0	-10,000
Chief Executive	833,510	747,830	757,830	747,830	-10,000	-10,000	-10,000	0	-10,000
Capital Financing & Management	11,196,770	11,196,770	11,974,340	11,659,340	-315,000	-777,570	-362,570	415,000	100,000
Movement Through Reserves	-117,000	-996,310	-996,310	-996,310	0	0	0	0	0
Risk Management	0	0	0	0	0	0	0	0	0
Capital Financing and Risk Management	11,079,770	10,200,460	10,978,030	10,663,030	-315,000	-777,570	-362,570	415,000	100,000
Total	130,215,900	130,215,900	345,092,640	343,122,977	-1,969,663	-214,876,740	-213,497,490	1,379,250	-590,413

Appendix B – Budget Changes

Service	Original Net Budget	Approved Budget B/F from 2019/20	Changes not requiring approval	Approved by S151 & Portfolio Holder	Requiring Executive Approval	Approved Budget C/F to 2021/22	Current Net Budget
	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	50,221	288					50,508
Children and Family Services	17,102	76					17,179
Executive Director	249	87					336
Education DSG funded	(444)						(444)
Education	8,830						8,830
Public Health & Wellbeing	(80)						(80)
Communities	75,878	451	0	0	0	0	76,329
Executive Director	197						197
Development & Planning	3,071	76	33				3,180
Public Protection & Culture	3,904		(8)				3,895
Transport & Countryside	23,795	71	5				23,871
Place	30,967	147	30	0	0	0	31,143
Executive Director	121		(20)				101
Commissioning	814	4	(19)				799
Customer Services & ICT	2,971	12					2,983
Finance & Property	2,824		63				2,887
Human Resources	1,724		(20)				1,704
Legal and Strategic Support	3,005	85	232				3,322
Resources	11,458	101	236	0	0	0	11,796
Chief Executive	834		-86				748
Capital Financing & Management	11,197						11,197
Movement through Reserves	(117)	(699)	(180)				(996)
Capital Financing	11,080	(699)	(180)	0	0	0	10,200
Total	130,216	0	0	0	0	0	130,216

Capital Financial Performance Report Quarter One 2020/21

Committee considering report:	Overview and Scrutiny Management Commission on 6 October 2020
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	13 August 2020
Report Author:	Shannon Coleman-Slaughter
Forward Plan Ref:	EX3906

1 Purpose of the Report

The financial performance report provided to Members on a quarterly basis reports on the under or over spends against the Council's approved capital budget. This report presents the Quarter One financial position.

2 Recommendations

No recommendations have been made within this report. Members are to note:

- (a) The forecast financial position as at Quarter One.
- (b) £124k of additional external funding from the Phase One of the Emergency Active Travel Fund has been received by the Council. Under delegated authority, the S151 Officer and Portfolio Holder agreed allocation of the funding to the Transport and Countryside programme in 2020/21.
- (c) A further application is to be submitted (August 2020) for Phase Two Emergency Active Travel funding, with an indicative sum of £495k.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	At the end of Quarter One expenditure of £50.9 million has been forecast against a revised budget of £56.4million, an overall forecast underspend of £5.5 million.
Human Resource:	Not applicable

Legal:	Not applicable			
Risk Management:	Any significant delays in project delivery impact on the provisional budget for 2021/22 and subsequent years.			
Property:	Not applicable			
Policy:	Not applicable			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		

Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	Joseph Holmes, Executive Director for Resources, s151 Officer Andy Walker, Head of Finance & Property Capital Strategy Group			

4 Executive Summary

4.1 At the end of Quarter One expenditure of £50.9million has been forecast against a revised budget of £56.4million, an overall forecast underspend of £5.5 million.

Directorate Summary	Quarter One			
	Budget at Quarter One	Forecast Expenditure	Forecast (under)/Over Spend	Forecast spend as a % of budget
	£'000	£'000	£'000	%
People	£17,813	£15,476	(£2,337)	86.9%
Place	£31,038	£27,882	(£3,156)	89.8%
Resources	£7,592	£7,556	(£36)	99.5%
Totals	£56,443	£50,914	(£5,529)	90.2%

4.2 The main contributing factors to the forecast position are:

- (a) Education Services is forecasting a £2.3 million underspend driven primarily by a delay in the Eastern Area PRU project (£758k) through delays in agreeing new lease terms with the Parish Council, and a forecast underspend against the planned maintenance budget (£702k). The planned maintenance budget has been impacted by the COVID pandemic with delays in feasibility studies and commencement of works and the current construction industry market environment.
- (b) Transport and Countryside are forecasting a £3.1 million underspend primarily relating to the Robinhood Roundabout and A4 development (£1.5 million). The project is funded from section 106 funding which has yet to be received creating a delay in commencing the project. A number of projects across the transport programme have forecast underspends due to delays in commencing projects through the national COVID lockdown.

- 4.3 A future risk identified relating to the COVID pandemic is the potential for engaged suppliers to default on contractual obligations through financial difficulties. Budget managers and CSG are currently undertaking a review to highlight projects with potential suppliers of concern and where there is a risk of default and/or the potential to retender agreed contracts at potentially higher cost.

5 Supporting Information

Introduction

- 5.1 A capital budget for 2020/21 of £42.5 million was set by Council in March 2020 with funding of £21.4 million from external grants, £6.2 million of section 106 contributions (s106) and Community Infrastructure Levy (CIL), with £14.8 million of expenditure planned to be funded from external borrowing. The repayment of principal sums and interest on loans used to fund capital expenditure are met from the revenue budget for capital financing and risk management. Forecast spend against this budget is reported in the Revenue Financial Performance Report.
- 5.2 During the financial year budget changes may occur, mainly as a result of budgets brought forward from prior financial years, additional grants, s106 and CIL allocations received in year and expenditure re-profiled in future financial years. Changes of less than £250k can be approved by the s151 Officer in conjunction with the portfolio holder, all other changes must be approved by Capital Strategy Group (CSG) and reported to Executive as set out in the Council's Financial Regulations. As part of the budget monitoring process, the forecast year end position of the capital projects is reviewed and proposals for unutilised budgets to be re-profiled into subsequent financial years is reviewed by Capital Strategy Group (CSG). Appendix A provides a breakdown of budget changes as at Quarter One.

Background

- 5.3 Total forecast capital expenditure for financial year 2020/21 as at Quarter One is £50.9 million against a revised capital programme of £56.4 million, generating a forecast underspend position of £5.5 million.

Directorate Summary	Quarter One			Forecast spend as a % of budget
	Budget at Quarter One	Forecast Expenditure	Forecast (under)/Over Spend	
	£'000	£'000	£'000	%
People	£17,813	£15,476	(£2,337)	86.9%
Place	£31,038	£27,882	(£3,156)	89.8%
Resources	£7,592	£7,556	(£36)	99.5%
Totals	£56,443	£50,914	(£5,529)	90.2%

- 5.4 The main contributing factors to the forecast position are:
- (a) Education Services is forecasting a £2.3 million underspend driven primarily by a delay in the Eastern Area PRU project (£758k) through delays in agreeing new lease terms with the Parish Council, and a forecast underspend against the

planned maintenance budget (£702k). The planned maintenance budget has been impacted by the COVID pandemic with delays in feasibility studies and commencement of works and the current construction industry market environment.

- (b) Transport and Countryside are forecasting a £3.1 million underspend primarily relating to the Robinhood Roundabout and A4 development (£1.5 million). The project is funded from section 106 funding which has yet to be received creating a delay in commencing the project. A number of projects across the transport programme have forecast underspends due to delays in commencing projects through the national COVID lockdown.

5.5 A future risk identified relating to the COVID pandemic is the potential for engaged suppliers to default on contractual obligations through financial difficulties. Budget managers and CSG are currently undertaking a review to highlight projects with potential suppliers of concern and where there is a risk of default and/or the potential to retender agreed contracts at potentially higher cost.

The People Directorate

People Directorate	Quarter One		
	Budget at Quarter One	Forecast Spend in Year	Forecast (under)/Over Spend
	£'000	£'000	£'000
Adult Social Care	£1,867	£1,867	£0
Children & Family Services	£20	£20	£0
Education Services	£15,926	£13,589	(£2,337)
Totals	£17,813	£15,476	(£2,337)

5.6 The directorate is forecasting capital expenditure of £15.4 million against a £17.8 million budget. The forecast underspend position of £2.3 million is fully attributable to Education Services. The Education Services forecast position is being driven by key underspends against:

- (a) Delays in the Eastern Area PRU (£758k) development as lease negotiations with the Parish Council remain ongoing.
- (b) Planned maintenance budget is forecast to underspend in year (£702k) as a result of planning roofing repairs at risk of not being undertaken in the financial year as a result of the current market environment post the COVID lockdown.

The Place Directorate

Place Directorate	Quarter One		
	Budget at Quarter One	Forecast Spend in Year	Forecast (under)/Over Spend
	£'000	£'000	£'000
Development & Planning	£4,528	£4,822	£294
Public Protection & Culture	£2,458	£2,325	(£133)
Transport & Countryside	£24,052	£20,735	(£3,317)
Totals	£31,038	£27,882	(£3,156)

5.7 The directorate is forecasting capital expenditure of £27.8 million against a budget of £31.0 million. The forecast underspend position of £3.1 million is through:

- Transport and Countryside: A delay in the Robinhood Roundabout and A4 development through delayed receipt of section 106 funding (£1.5 million).
- Transport and Countryside: A number of projects across the transport programme have forecast underspends due to delays in commencing projects through the national COVID lockdown.
- Public Protection and Culture: Underspends have been forecast against annual maintenance budgets (Shaw House £69k and Museum (£63.5k).
- Development and Planning are forecasting a £294k relating to purchases of temporary accommodation.

The Resources Directorate

Resources	Quarter One		
	Budget at Quarter One	Forecast Spend in Year	Forecast (under)/Over Spend
	£'000	£'000	£'000
Customer Services & ICT	£4,877	£4,837	(£40)
Finance & Property	£2,312	£2,312	£0
Human Resources	£32	£32	(£0)
Strategic Support & Legal	£371	£375	£4
Chief Executive	£0.00	£0.00	£0
Totals	£7,592	£7,556	(£36)

5.8 The directorate is forecasting capital expenditure of £7.55 million against a budget of £7.59 million. The main driver of the forecast directorate underspend of £36k is ICT and relates to forecast underspends against Remote Access System Maintenance (£45k) and a refresh of the corporate MFD Fleet (£25k), offset by a forecast overspend against expenditure on Windows licences (£30k).

Proposals

No proposals are made within this report. Report is to note only.

6 Other options considered

No other options were considered.

7 Conclusion

7.1 At Quarter One expenditure of £50.9 million has been forecast against the revised budget of £56.4 million, resulting in a forecast underspend of 9% of the approved Capital Programme.

8 Appendices

8.1 Appendix A – Budget Changes as at Quarter One

Subject to Call-In:

Yes: No: X

The item is due to be referred to Council for final approval	<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>
Delays in implementation could compromise the Council's position	<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months	<input type="checkbox"/>
Item is Urgent Key Decision	<input type="checkbox"/>
Report is to note only	X

Officer details:

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2020/21 Budget Changes as at Quarter One

Service Area	Original Budget 2020/21 £000	Budget Agreed by CSG to be Re-profiled from 2019/20 £000	Other Changes to 2020/21 Budget £000	Revised Budget for 2020/21 £000	Explanation of Other Agreed Changes	Approved by CSG
PEOPLE DIRECTORATE						
Adult Social Care	£1,388	£226	£254	£1,867	Revenue contribution to capital (RCCO) ref Modernising ASC £84k/ Notrees Heating - £170k	30.04.20
Children & Family Services	£20	£0	£0	£20		
Education Services	£14,375	£1,551	(£0)	£15,926		
Total for Communities Directorate	£15,783	£1,777	£253	£17,813		
PLACE DIRECTORATE						
Development and Planning	£1,753	£2,664	£111	£4,528	Housing ICT System - £111k	27.02.20
Public Protection & Culture	£1,160	£1,094	£204	£2,458	PPP One System - £204k	27.02.20
Transport & Countryside	£19,449	£1,556	£3,047	£24,052	New DFT Challenge Funding (£3.048)	
Total for Environment Directorate	£22,362	£5,313	£3,363	£31,038		
RESOURCES DIRECTORATE						
Customer Services and ICT	£2,041	£2,836	£0	£4,877		
Finance & Property	£2,108	£135	£69	£2,312	RCCO for Income Manager - £70k	30.04.20
Human Resources	£0	£32	£0	£32		
Strategic Support & Legal	£237	£134	£0	£371		
Chief Exec	£0	£0	£0	£0		
Total for Resource Directorate	£4,386	£3,136	£70	£7,592		
Totals	£42,531	£10,226	£3,686	£56,443		

**West Berkshire Council Forward Plan
6 October 2020 - 31 January 2021**

Key:	C = Council
	DOD = Delegated Officer Decision
	EX = Executive
	GE = Governance and Ethics Committee
	HWB = Health and Wellbeing Board
	ID = Individual Decision
	PC = Personnel Committee
	PP = Joint Public Protection Committee

Reference	Item	Purpose	Decision Body	Month/Year	Executive	ID	Date Report Published	Council	Governance and Ethics Committee	OSMC	Other	Officer and Contact No	Directorate	Lead Member	Consultee(s)	Part II	Call In
EX3965	Proposals for Future Community Infrastructure Levy spending	The purpose of this report is reshape the priorities that CIL income is used to support. The reports seeks to review CIL income to provide further support for community led schemes as well as reshape support so that it is more closely aligned to the Council Strategy approved last year which in turn reflects the Adopted Local Plan	EX	01 October 2020	15/10/20 EX		07/10/20					Joseph Holmes	Resources	Planning and Housing			
EX3951	Communications and Engagement Strategy	To present the Council's Communications and Engagement Strategy for approval	EX	01 October 2020	15/10/20 EX		07/10/20					Nick Carter	Resources	Leader, District Strategy and Communications		No	Yes
EX3952	Risk Management Strategy	To approve the Risk Management Strategy and the associated risk appetite.	EX	01 October 2020	15/10/20 EX		07/10/20		16/11/20 GE			Joseph Holmes	Resources	Internal Governance		No	Yes
EX3967	Engaging and Enabling our Local Communities	To achieve the aims and objectives to build on the work of the Community Support Hub with current and planned activity as part of the Council Strategy 2019-2023	EX	01 October 2020	15/10/20 EX		07/10/20					Matt Pearce	Resources	Leader, District Strategy and Communications			
EX3956	Response to OSMC Report on London Road Industrial Estate	To consider the response to the OSMC report on London Road Industrial Estate.	EX	01 October 2020	15/10/20 EX		07/10/20					Joseph Holmes	Resources	Finance and Economic Development		No	Yes
ID3920	West Berkshire Council Forward Plan 10 Nov 2020- 28 Feb 2021	To agree the Forward Plan for the next four months.	ID	01 October 2020		08/10/20	30/09/20					Moir Fraser	Resources	Leader, District Strategy and Communications		No	No
ID3943	Winter Service Plan 2020-21	To approve the Winter Service Plan 2020-21	ID	01 October 2020		15/10/20	07/10/20					Andrew Reynolds	Place	Transport and Countryside		No	Yes
	Shared Services		OSMC	01 October 2020			28/09/20			06/10/20		Gordon Oliver	Resources	Internal Governance			No
EX3888	Leisure Strategy	To agree the Council's Leisure Strategy.	EX	01 November 2020	19/11/20 EX		11/11/20					Paul Anstey	Place	Public Health & Community Wellbeing, Leisure and Culture		No	Yes
EX3807	Cultural Heritage Strategy	To adopt the Council's Cultural Strategy post the consultation exercise.	EX	01 November 2020	19/11/20 EX		11/11/20					Paul James	Environment	Public Health & Community Wellbeing, Leisure and Culture		No	Yes
EX3960	Approval of LRIE Development Brief	To approve the Development Brief for the London Road Industrial Estate	EX	01 November 2020	19/11/20 EX		11/11/20					Bill Bagnell	Resources	Finance and Economic Development		No	Yes
EX3963	Walnut Close Care Home post consultation report <i>(Paragraph 6 - information relating to proposed action to be taken by the Local Authority)</i>	To report on the outcome of the public consultation in relation to the delivery of West Berkshire Council's in house care home services as a result of the impact of Covid-19.	EX	01 November 2020	19/11/20 EX		11/11/20					Sara Ross	People	Adult Social Care		Yes	No
GE3864	Internal Audit Interim Report 2020/21	To update the Committee on the outcome of internal audit work.	GE	01 November 2020			06/11/20		16/11/20 GE			Julie Gilhespy	Resources	Internal Governance		No	Yes
GE3824	External Audit Fee 2020-21	To present to members the Audit Fee Letter for 2020/21 from Grant Thornton.	GE	01 November 2020			06/11/20		16/11/20 GE			Shannon Coleman-Slaughter	Resources	Internal Governance		No	Yes
GE3820	Summary of Draft West Berkshire Council Financial Statements 2019/20	To present the draft West Berkshire Council Financial Statements 2019/20.	GE	01 November 2020			06/11/20		16/11/20 GE			Shannon Coleman-Slaughter	Resources	Finance and Economic Development		No	Yes
GE3689	External Audit Plan 2020-21	To provide Members with a copy of the External Audit Plan for 2020-21	GE	01 November 2020			06/11/20		16/11/20 GE			Shannon Coleman-Slaughter	Resources	Internal Governance		No	Yes
GE3954	Response to the Audit Review of the Governance and Ethics Committee	To provide an update on progress on implementing the recommendations as set out in the review of the Committee	GE	01 November 2020			06/11/20		16/11/20 GE			Julie Gilhespy	Resources	Internal Governance		No	Yes
GE3934	External Auditors Report on the Financial Statements	To receive the report from the external auditors.	GE	01 November 2020			06/11/20		16/11/20 GE			Shannon Coleman-Slaughter	Resources	Finance and Economic Development		No	Yes
ID3921	West Berkshire Council Forward Plan 8 Dec 2020- 31 March 2021	To agree the Forward Plan for the next four months.	ID	01 November 2020		05/11/20	28/10/20					Moir Fraser	Resources	Leader, District Strategy and Communications		No	No

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ID3922	West Berkshire Council Forward Plan 31 Dec 2020- 30 April 2021	To agree the Forward Plan for the next four months.	ID	01 November 2020		26/11/20	18/11/20					Moira Fraser	Resources	Leader, District Strategy and Communications		No	No
EX3902	Approval to adopt a new Housing Allocations Policy	To seek approval to implement the new Housing Allocations Policy following consultation	EX	01 December 2020	17/12/20 EX		09/12/20					Fidelis Ukwenu/Janet Weekes	Place	Planning and Housing	Wide range of partners, stakeholders	No	No
EX3884	Key Accountable Performance 2020/21: Quarter Two	To report Q2 outturns for the Key Accountable Measures which monitor performance against the 2020/21 Council Performance Framework. To provide assurance that the objectives set out in the Council Strategy and other areas of significant activity are being managed effectively. To present, by exception, those measures that are predicted to be 'amber' or 'red' and provide information on any remedial action taken and the impact of that action. To recommend changes to measures/targets as requested by services.	EX	01 December 2020	17/12/20 EX		09/12/20			26/01/21		Catalin Bogos	Resources	Internal Governance		No	Yes
EX3962	Alarms Planned and Reactive Maintenance	To award the contract.	EX	01 December 2020	17/12/20 EX		09/12/20					Karen Felgate	Resources	Finance and Economic Development		No	No
EX3964	Response to Safer Schools Motion	To provide a response to a motion proposed at the 05 March 2020 Council meeting.	EX	01 December 2020	17/12/20 EX		09/12/20					Neil Stacey	Place	Transport and Countryside			
EX3966	Response to the Power to Communities Motion	To provide a response to a motion proposed at the 05 March 2020 Council meeting.	EX	01 December 2020	17/12/20 EX		09/12/20					Jon Winstanley	Place	Environment			
ID3923	West Berkshire Council Forward Plan 3 Feb 2021- 31 May 2021	To agree the Forward Plan for the next four months.	ID	01 December 2020		31/12/20	21/12/20					Moira Fraser	Resources	Leader, District Strategy and Communications		No	No
EX3909	Capital Financial Performance Report - Q2 of 2020/21	To present the Q2 capital financial performance for Members to note.	EX	01 January 2021	14/01/21 EX		06/01/21					Shannon Coleman-Slaughter	Resources	Finance and Economic Development		No	No
EX3908	Revenue Financial Performance Report - Q2 of 2020/21	To inform Members of the latest financial performance of the Council.	EX	01 January 2021	14/01/21 EX		06/01/21					Melanie Ellis	Resources	Finance and Economic Development		No	No
EX3961	Care Homes Catering <i>(Paragraph 3 - information relating to the financial/business affairs of a particular person)</i>	To award the contract for West Berkshire Council Care Homes and Resource Centre catering	EX	01 January 2021	14/01/21 EX		06/01/21					Zoe Campbell	Resources	Adult Social Care		Yes	No