

**Agenda Item No:** 9.8 **Report No:** 152/16

**Report Title:** "Stronger Together" Joint Transformation Programme Update

**Report To:** Cabinet **Date:** 16 November 2016

**Cabinet Member:** Councillor Andy Smith

**Ward(s) Affected:** All

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**Purpose of Report:**

1. To update Cabinet on the mobilisation of the Joint Transformation Programme and key decisions taken by the Programme Board
2. To seek Cabinet's agreement to changes in the way communications, press and media functions are delivered

**Officers Recommendation(s):**

It is recommended that Cabinet:

1. Notes the significant progress made since May and endorses the three phase delivery of the programme.
2. Agrees the new delivery model for communications and engagement functions as set out in the report, including:
  - (a) Extending the current contract with Cobb PR to provide the functions listed at Appendix A section 1, and
  - (b) Retaining the in-house functions listed at Appendix A sections 2 and 3.

3. Agree the related staffing changes set out at Appendix B.
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## **Executive Summary**

- 4 In May 2016 the Cabinets of Eastbourne and Lewes councils approved the Joint Transformation Programme ('the Programme') to deliver the majority of council services via shared teams adopting new ways of working.
- 5 This is a major change programme for both councils and a significant contributor to our medium term financial strategy savings targets.
- 6 The four strategic objectives of the Programme are:
  - 6.1 **Protect services**  
Protect services delivered to local residents while at the same time reducing costs for both councils to together save £2.8m annually
  - 6.2 **Greater strategic presence**  
Create two stronger organisations which can operate more strategically within the region while still retaining the sovereignty of each council
  - 6.3 **High quality, modern services**  
Meet communities and individual customers' expectations to receive high quality, modern services focused on local needs and making best use of modern technology
  - 6.4 **Resilient services**  
Building resilience by combining skills and infrastructure across both councils
- 7 Over the past four months, officers have been working to establish the programme, including programme planning, recruitment of project managers and teams, procurement and communications
- 8 This concise update will provide Cabinet with an overview of the activity completed in the period from June to September, and seeks an endorsement of the phased approach recommended by the Programme Manager and the Programme Board.

## **Programme Activity June – September 2016**

### Governance

- 9 The importance of a robust governance regime was discussed in the May Cabinet report. This regime is now largely established and operating:
- 10 Cabinets will be updated regularly, this being the first update.
- 11 The Programme Board has met three times and consists of the leaders and deputy leaders, the leaders of the main opposition groups, the Chief Executive and three other Corporate Management Team (CMT) members.
- 12 CMT has been receiving regular updates throughout mobilisation.

- 13** The Delivery Board is the group that will be accountable for the programme work streams and delivery of milestones against the plan. The Delivery Board is meeting every 1-2 weeks.
- 14** Further governance groups have been identified and will be established over the next two months, including an external assurance panel that monitors programme risk and governance.

#### Procurement

- 15** A number of procurement strategies were approved in May and we have followed these to complete some significant and essential procurements;
  - Extension of Sopra Steria ICT infrastructure management services contract to include Lewes as well as Eastbourne.  
This was completed in August following a negotiation procedure and publication of a Voluntary Ex Ante Transparency Notice (VEAT) in OJEU, which did not attract any challenges. The new joint service goes live on 1 November 2016.
  - Procurement of change management and service design support.  
We have procured these services from Ignite Consulting via the NEPRO framework.
  - Procurement of core technology.  
We have procured a set of core systems from Civica via the Crown Commercial Services RM1059 framework that will form the foundation of our shared ICT platforms to enable joint working and save the councils £88k per year.
  - Telephony procurement  
We have selected local supplier Cavendish Communications (based in Lewes district) as the councils' joint telephony supplier and will be immediately proceeding to implement a joint telephony platform that will replace the problematic Lewes system.

#### Early Organisation Changes

- 16** Members will be aware that the restructure of CMT was completed in July, resulting in a new team in joint roles.
- 17** The other early restructure has been to the internal ICT teams at Lewes and Eastbourne. This is almost complete and will see a single ICT service formed with Sopra Steria managing the infrastructure and a joint council team managing business applications, with both parts of the service reporting into the Head of ICT (Lewes and Eastbourne).
- 18** The new teams are employed by Eastbourne in line with the decisions made by Full Councils in July. Work is underway to look at the process by which all staff will transfer to become employees of Eastbourne.

#### Programme Team Recruitment

- 19** We have successfully recruited to around 15 key roles in the programme team and have just a small number of posts still to fill.

#### Programme Plan and Phasing

**20** The programme has been structured into seven work streams for delivery across three phases. Each phase will have a clear scope and will deliver a proportion of the overall savings required.

- Phase One – Sept 2016 to March 2017 - £1m
- Phase Two – April 2017 to March 2018 - £1m
- Phase Three – March 2018 to March 2019 - £0.8m

The phases will overlap to a degree and the timings above may change.

**21** Phase One is the current focus and will include most management activity as well as key strategy and corporate activity, such as corporate planning, governance, communications, performance management and policy/strategy development and co-ordination.

**22** Phase Two will include most of the major public services (e.g. housing, revenues, benefits, environmental health, licensing, planning) and will primarily focus on establishing the joint teams delivering customer contact and mobile activity for those services. However, new joint casework and specialist teams will also be established during this phase.

**23** Phase Three will build on Phase Two and will see the casework and specialist teams more fully established, as new technology and business processes become available.

**24** Support services will continue to be the subject of ongoing review through the three phases and it is expected that all support services will be shared and integrated by Phase Three at the latest, with any changes made under the Chief Executive's delegated powers.

**25** Future progress reports will present a status for each workstream, as well as a summary of progress for the current phase of the programme.

#### Communications with staff

**26** A great deal of work has been put into communicating with staff about the programme. This has included:

- Six staff briefings led by the Leaders on 26/27 May
- Intranet based 'FAQs' answering more than 180 questions to date
- Monthly email based Corporate Briefings to all staff
- Face to face briefings to eCMT June / September
- Three 'Understanding More' face to face staff briefings in July
- Face to face JTP Launch briefing to Managers' Forum on 21 Sept
- Six JTP Launch briefings with video presentation during Sept/Oct
- Staff Consultative Forums in July and September

#### Looking Ahead

**27** The next update to Cabinet will be towards the end of Phase One. Between now and then we will:

- Work with staff and members to develop a joint vision and values for our shared services.
- Agree and recruit to a new structure for management and for strategy and corporate teams.
- Involve staff in the programme and develop strategies to support them through the change.
- Start early service redesign work, involving and engaging staff.
- Join up our ICT networks to enable common ways of working between Lewes (Southover House) and Eastbourne (1 Grove Road).
- Delivery a joint telephony system.
- Lay the foundations for our core joint systems

## **Consultation**

### Staff and Union Consultation

**28** As summarised at paragraph 2.5, we have communicated with staff and staff representative groups throughout the mobilisation period. This has been done both face to face and via email and Intranets.

**29** The Joint Transformation Programme Consultative Forum will continue to meet on a bimonthly basis, involving a range of staff representatives including UNISON representatives.

**30** In January 2017, the first formal consultation will take place on the new roles and teams to be recruited to in Phase One.

### Legal Consultation

**31** Legal Services have been involved throughout the mobilisation period in the key procurement activity.

## **Equality and Diversity**

**32** The JTP Equality and Fairness Forum is currently being set up and will lead the equalities analysis of Phase One proposals.

## **Communications and Public Relations Function**

**33** A council communications service is critical to the management of the council's reputation and how it is both understood and viewed by the public, partners and other stakeholders. The service can play a key role in maintaining a positive image and countering any potential negative or damaging coverage in the media.

**34** This is achieved through a variety of functions. The service provides a centralised point of contact for all engagement with the local media (traditionally newspapers, television and radio) and with social media (twitter, facebook etc). It enables council news to be communicated to the public via the media, through press releases, press statements, press conferences. It also provides a single point of contact for the media to make enquires about council related matters, ensuring those are handled professionally and in a timely way.

- 35** In addition, proactive communications with local residents are also undertaken by the service. This can take a number of forms such as through the council's website, via written communications such as council newsletters or magazines, through consultation, publicity campaigns using traditional formats such as posters, leaflets as well as targeted mailings, email alerts and other forms of social media.
- 36** Many communications functions, including those at LDC, also undertake a range of internal communications roles, helping to keep staff informed about the council, its work and any key developments and changes.

#### The current situation

- 37** At Lewes District Council, following a previous restructure, a small internal media and engagement team was established in 2014 made up of two full time and two part time staff. The annual budget of the team, including an allocation for the production of District News and a small marketing and promotions budget, is £288k.
- 38** This team has worked well to provide a press, social media and public relations service to the council. It is also responsible for the production and publication of the council's quarterly newsletter (District News), advice on use of the council's brand, ad hoc design work, advice and support on consultation and engagement activities and coordination/production of internal communications tools for staff.
- 39** However, the small size of the team, together with the ambitious programme of projects the council is delivering, has meant that at time resources have been stretched and not all communications work could be covered internally. As a result, external PR companies have periodically been called upon to assist with media and PR work relating to particular projects and campaigns. During 2015/16 across the council there was expenditure over £50k on this type of work.
- 40** It has been noted that the use of external expertise in this field allows for increased flexibility, a wider breadth of skills to be drawn on and the benefit of an 'external view' on how media and communications matters should be addressed. In light of this, and following the resignation of the Head of Media and Engagement, it was considered timely to consider whether the current service configuration would serve the council best in the longer term.
- 41** Since April 2015 (when the Head of Media and Engagement vacancy arose) the strategic elements of the council's communications work has been supported by Cobb PR. This has been enabled through the negotiation of a 'call off' clause within Eastbourne Borough Council contract, which has delivered its communications function through an outsourced arrangement for a number of years.
- 42** Given the Joint Transformation Programme, these proposals have been drawn up being mindful of other changes taking place and planned for the integration of LDC and EBC staffing, whilst at the same time acknowledging the need to retain organisational sovereignty and the important role of communications in ensuring this.

#### Proposed way forward

- 43** Consideration has been given to the functions of the current service and which of these functions is essential is provided 'in house' and which might be provided externally in a way which provides better value for the council. The table at exempt

appendix A sets out the functions under consideration and the rationale for how they might best be provided in future.

### Procurement considerations

- 44** As mentioned earlier in the report, the Council has already entered into a contractual arrangement (together with EBC, from April 2015) with Cobb PR to provide a small amount of additional communications and PR support for use at times of specific need and in order to build in flexibility and add resilience to their in-house team. The contract includes the expectation that further sharing of services will take place over the life of this contract.
- 45** If Cabinet are minded to progress with the recommendations contained within this report, then the opportunity exists to extend the existing contract to encompass the range of activities listed as 'External' in appendix A. Legal advice indicates that this could be achieved without needing to undertake a separate procurement exercise. The current contact runs for a period of 5 years but can be terminated by way of 4 months written notice.

### Staffing issues

- 46** The staffing issues arising from this report are set out in exempt appendix B.

### **Financial Appraisal (Communications and Public Relations)**

- 47** The current budget for the in house communications and public relations service is £288k. Assuming the engagement and internal communications elements of the service are retained in house (budget of £53k which includes costs of Gov Delivery email alert system and engagement budget) and also that a small allocation is retained to enhance capacity within the shared print room for design work. The remaining communications budget is £223k.
- 48** Negotiations with Cobb PR have indicated that they would be able to deliver the elements of the service listed at section 1 of appendix A for a total of £130k. This would offer a saving of £93k. In addition to this, the contract with Cobb PR would be likely to reduce the need for additional 'ad hoc' spend on other professional PR and related advice which amounted to around £50k in 15/16 (see para 8).

### **Legal Implications (Communications and Public Relations)**

The Legal Services Department has made the following comments:

- 49** The Council as a general power under section 1 Localism Act 2011 to do anything that an individual may do which covers any actions arising from this Report. In the alternative section 111 Local Government Act 1972 provides that the Council has the power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.
- 50** Members are asked to note The Transfer of Undertaking (Protection of Employment) Regulations 2006 (as amended) which applies to protect an employee's rights when the Council transfers a service to a new employer.

## **Risk Management Implications**

- 51** The risks relating to the JTP are being closely monitored through the programme governance arrangements and by robust project management principles being applied.
- 52** With regard to communications and public relations, no significant risks have been identified. As with any outsourcing arrangement, close contract monitoring is essential to ensure any emergent risks are identified and mitigated.

## **Equality Screening (Communications and Public Relations)**

- 53** The report setting out the results of the equality and fairness analysis is at exempt appendix C.

## **Background Papers**

- 54** None

## **Appendices**

- 55** Appendix A : Communications and Public Relations functions under consideration and the rationale for how they might best be provided in future – CONTAINS EXEMPT INFORMATION
- 56** Appendix B : Staffing Issues arising from proposals regarding the Communications and Public Relations Function – CONTAINS EXEMPT INFORMATION
- 57** Appendix C : Equality and Fairness Analysis for Communications and Public Relations – CONTAINS EXEMPT INFORMATION