

Cabinet Report

Report of Head of Partnership and Insight

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To: CABINET

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5 Councils Partnership contract changes

Recommendations

(a) Cabinet supports the proposed changes being progressed with the 5 Councils Partnership and notes the process required to enact them

(b) Cabinet confirms that the delegated responsibility for completing the proposed changes rests with the chief executive in line with the 5 Councils Partnership Inter-Authority Agreement

Purpose of Report

1. This report updates Members on the progress to date and next steps with regards to completing and implementing planned changes to the Five Councils Capita contract and establishing an action plan for the council that addresses, over the next 12 months, the immediate deficiencies in our IT systems

Background

2. Over the last 6 months the council's chief executive and officers have been working with our service provider Capita to:
 - a) Rectify a number of shortcomings in service delivery which have not met the council's expectations;
 - b) Rebalance the overall service delivery models for some of our services to ensure roles and responsibilities are better defined and more clearly accountable between service provision and ownership of strategy and direction;
 - c) Reshape the contract to reflect these changes and ensure future delivery meets our expectations.

3. In addition to this work the council needs to establish a clear direction for technology investment and provision to support our business ambitions and objectives going forward, embracing the opportunities the digital revolution offers to do things quicker, better, cheaper and right first time. The technology strategy will deliver that and is being addressed in a separate submission to Cabinet.
4. First taking the current service delivery issues, we have worked closely with Capita to develop and take forward five contract changes for:
 - a. Establishment of an IT end user computing environment for South and Vale Councils only, meeting our compliance needs for GDPR and enabling a range of new technology opportunities for secure mobile, flexible and multi-agency working;
 - b. Return of the fraud service in the revenues and benefits function as an in-house service so we can continue to grow our success in this field;
 - c. Bringing finance business partner roles and a number of other key responsibilities back in-house and better defining the roles and responsibilities between the supplier and customer across the finance function;
 - d. Bringing ownership of strategic human resources (HR) back in house and better defining the roles and responsibilities between the supplier and customer across the HR function;
 - e. Upgrading our finance system to a fully supported and up to date version of Unit 4 Business World (formerly called Agresso).
5. The scope of the changes for b, c and d are virtually agreed, with the changes intended from the end of November 2018, subject to any time limitations set by TUPE and subject to completion of the revised inter-authority agreement (IAA) between the five councils. The scope of the changes for a and e are also near completion.
6. The IAA provides the chief executives of the 5 partner councils with the authority to approve changes, subject to the relevant financial and governance requirements being in line with individual council constitutional rules. This paper confirms that position and seeks Cabinet confirmation that the chief executive can approve the changes being progressed in line with the IAA.
7. These changes are only part of a wider action plan to achieve stability as part of the council's technology strategy. It is still in its early stages of delivery but collaboration with all suppliers has been positive and the changes being taken forward are being well received by staff. The plan is also included in the proposed technology strategy for the councils to ensure continuity for medium terms plans.

Financial Implications

8. Changes b, c and d are cost neutral, achieved through contract adjustments.
9. The changes covering the core IT service and the finance IT systems are expected to be funded within the established contract envelope in place for current services and anything in addition to that will be considered on its merits as part of the final business case for each change
10. For the technology strategy, any financial implications will be examined as part of the 2018-19 business planning round and the resulting delivery programmes will be resourced under those business plans agreed as part of the medium term financial strategy.

Legal Implications

11. The changes will be approved through the Five Councils Partnership change process and also through the council's own governance arrangements. External legal advice will be sought on how to document the changes. The revised inter-authority agreement, which is close to being agreed, will need to be in place before these changes are made.

Risks

12. Until the core IT infrastructure has been brought up to a suitable standard for reliable delivery we remain at risk of avoidable service outages and performance failures which significantly impact the council's ability to do business.

Conclusion

13. Good progress has been made with turning around the services delivered by Capita under the Five Councils contract and tangible improvements are now visible. The enactment of the first 5 changes over the next 3 months will address the immediate concerns and the wider tactical plan, if delivered in full, will put our councils back on a stable footing with IT and other core services.