

**BIRMINGHAM CITY COUNCIL****PUBLIC REPORT**

<b>Report to:</b>	<b>CABINET</b>	
<b>Report of:</b>	<b>Chief Executive</b>	
<b>Date of Decision:</b>	<b>17 November 2015</b>	
<b>SUBJECT:</b>	<b>FUTURE COUNCIL PROGRAMME</b>	
<b>Key Decision: Yes</b>	<b>Relevant Forward Plan Ref: 000706/2015</b>	
<b>If not in the Forward Plan: (please "X" box)</b>	<b>Chief Executive approved</b>	<input type="checkbox"/>
	<b>O&amp;S Chairman approved</b>	<input type="checkbox"/>
<b>Relevant Cabinet Member(s) or Relevant Executive Member</b>	<b>Cllr Ian Ward, Deputy Leader and Cllr Stewart Stacey, Cabinet Member for Commissioning, Contracting and Improvement</b>	
<b>Relevant O&amp;S Chairman:</b>	<b>Cllr Waseem Zaffar, Corporate Resources</b>	
<b>Wards affected:</b>	<b>All</b>	

<b>1. Purpose of report:</b>
<p>1.1 The Future Council report to Cabinet on 20 April 2015 provided an overview of the programme at the design stage. The report to Cabinet on 29 June 2015 then provided the detail of the whole council strategic framework outlining programme mobilisation, delivery and the underpinning resource plan.</p> <p>1.2 The June report explained that the City Council was in the process of bidding to the Department for Communities and Local Government (DCLG) for funding for additional capacity and resources to deliver programme outcomes. The City Council has since been awarded a grant of £4.4m.</p> <p>1.3 This report updates the June report and proposes a new resource plan in response to the additional DCLG funding since secured. This plan builds forward from the previously approved resources.</p> <p>1.4 To seek authority to award a contract in relation to immediate requirements and for the Interim Director Service Delivery/ Strategic Director for Change and Corporate Services to progress further procurement activity to secure the necessary human and organisation resources to deliver the programme.</p>

<b>2. Decision(s) recommended:</b>
<p>That Cabinet:</p> <p>2.1 Notes the Council's acceptance of the DCLG grant of £4.4m to assist the Council in delivering its medium-term Future Council plan.</p> <p>2.2 Delegates authority to the Interim Director Service Delivery/ Strategic Director for Change and Corporate Services, in conjunction with the Assistant Director of Procurement, the Director of Finance (or their delegate) and the Director of Legal and Democratic Services (or their delegate) to approve the commencement of tendering activity for the engagement of interim resources and consultants in accordance with the requirements</p>

and approach outlined in Appendix 1 of this report.

- 2.3 Delegates authority to the Interim Director Service Delivery/ Strategic Director for Change and Corporate Services, in conjunction with the Assistant Director of Procurement, the Director of Finance (or their delegate) and the Director of Legal and Democratic Services (or their delegate) to award contracts and place orders following the completion of the tendering processes, up to the combined value of £2.4m, in addition to the £2m of expenditure already approved by Cabinet in June.
- 2.4 Authorise the Director of Legal and Democratic Services to draft, negotiate and execute all agreements necessary to implement the above recommendations.

<b>Lead Contact Officer:</b>	Sarah Homer, Interim Director - Service Delivery
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### 3. Consultation

#### 3.1 Internal

The strategic framework and resource plan was created in partnership with Cabinet Members and the Corporate Leadership Team and was shared with Group Leaders from the main political parties during the design phase. This document provides a revised resource plan for approval.

#### 3.2 External

None

### 4. Compliance Issues:

#### 4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

- 4.1.1 The agreed Future Council programme is driven by the need to modernise, meet the unprecedented financial challenge and redefine the role of the City Council in ensuring the availability of services that best meet the priority needs of citizens and communities.

This report proposes a revised resource plan for this programme based on the receipt of the additional DCLG funding. Above all, it will help support sustainability of the council's day-to-day activities whilst engaged in a major change programme.

#### 4.1.2 Birmingham Business Charter for Social Responsibility (BBC4SR)

Compliance with the BBC4SR will be a mandatory requirement for tenderers and will form part of the conditions of this contract. Prior to contract award, an action plan will be agreed with the recommended supplier on how the charter principles will be implemented and monitored during the contract period. Where the recommended organisation is an accredited signatory to the Charter, they will be required to provide additional commitments proportionate to the value of the proposed contract awarded.

Consideration of how the engagement of external resource might improve the economic,

social and environmental well-being of the city and whether to undertake any consultation were discussed at the planning stage. It was agreed not to conduct further consultation on the basis added social value will be achieved through compliance with the BBC4SR.

#### 4.2 Financial Implications

A bid outlining the need for financial support to assist with the implementation of this significant programme was submitted to DCLG in June 2015 and a £4.4m grant has now been agreed to complement funds already identified by the Council.

As a result of the grant from the Government, the resource available to the programme has significantly improved and will be used to enhance the delivery of the programme, enabling additional support to speed up progress.

The grant has been provided to support the delivery of the Future Council programme. Specifically, it will help the council deliver its medium-term Future Council plan by funding additional capacity. This will ensure that regular council business can continue and provide specialist know-how not already within the council, helping to accelerate existing improvement projects and fund extra programme activity.

The receipt of the Government grant assists the Council to put in place a multi-year funded improvement programme, with £4.4m available in 2015/16 and £3m in 2016/17.

The procurement activity outlined in this report will be funded from the grant monies received from the DCLG.

#### 4.3 Legal Implications

The implementation of the Future Council Programme facilitates the discharge of the council's best value duty under the Local Government Act 1999. All necessary procurement exercises will be undertaken in accordance with the council's Standing Orders relating to contracts and Procurement Governance Arrangements.

#### 4.4 Public Sector Equality Duty (see separate guidance note)

At this stage there are no consequences for our Public Sector Equality Duty. Any implications as a result of significant changes to services developed as part of the programme will be identified as part of the Council's standard equality assessment processes.

### **5. Relevant background/chronology of key events:**

- 5.1 The Council is responding to a wide range of well documented internal and external drivers. Extraordinary financial pressure has been compounded by the findings of several high profile external reviews (the Le Grand safeguarding review, the Kershaw and Clarke education reports, and the Kerslake review on governance and organisational capabilities). All have reached unfavourable conclusions based on issues stretching back many years and across different administrations.

The Future Council programme is the vehicle for delivering the changes BCC needs to make. The programme was agreed by Cabinet on 20 April 2015 and a further update was provided in June.

To further develop and implement the programme the resources below have been identified as being required. The Council determined what resources were required through a process of engagement with key stakeholders, acceptance of the Kerslake recommendations and knowledge of good practice from other places.

## **5.2 Programme Planning Development**

Support for the Future Council programme is required to create a 'steady state' in terms of

- Programme planning and the ability to monitor delivery
- Risk management
- Reporting – for sub-programme and programme boards as well as elected members and the Birmingham Independent Improvement Panel
- Supporting the development of the council's preferred project management tool – Verto – to create a system that supports the above.

To get to 'steady state' by the end of the year the City Council will supplement the existing Future Council team with additional support around programme planning expertise until December 2015.

## **5.3 Council Operating Model Development**

The concept and potential shape of an operating model for the whole council was agreed by the Corporate Leadership Team in August 2015. This work now needs progressing. External expertise may be required to support a way forward for the delivery of an operating model that is bespoke to Birmingham City Council.

This work will include the development of a draft operating model along with appropriate materials for use by the Council. It will also include communication and engagement with staff, members and partners and any required sign off by members. This is timetabled to be in place for April 2016.

## **5.4 Support for the Council to Deliver the Significant Changes to Services Identified Through the Demand work**

A large number of ideas have been generated from the demand intelligence work the Council has done over the summer. Many of these high level proposals to radically improve services need to be converted into projects which will require, in some cases, expertise that is not currently available within the Council.

Some of the Council's more substantial new programmes (such as Open for Learning, which will drive better use of council assets through co-location and collaboration with partners, bringing together activities and services involving learning within the same building) will need expert programme and project manager support. Currently there isn't the internal capacity to deliver them all within the necessary time frame. External support will therefore be required to maintain the pace of change. It should be noted that where there is internal resource available with the skills, experience and capacity to carry out the tasks required, this will be the first option considered.

## 5.5 Procurement of External Resources

The Council has assessed what resources and capacity will be required. The Council does not have all of the skills and capacity required within existing services. There is a requirement to source additional support from outside the organisation, when appropriate.

This external resource will be procured in line with the Council's Procurement Governance Arrangements and is likely to include expertise for example in ICT, business analysis and engagement and consultation expertise. The most appropriate procurement route for each specialism will be selected to source the specialists and specialisms required. These routes will include calling off a national framework agreement (Crown Commercial Services or Eastern Shire Purchasing Organisation) and engaging recruitment agencies to recruit individuals with the required specialisms. Other routes may be selected as identified at the time the need is identified.

Due to the pace required to deliver the programme, it is an urgent requirement that the external resource is engaged as soon as practicably possible. Therefore the delegation of the award of the future contracts will be reported to the Interim Director Service Delivery/ Strategic Director for Change and Corporate Services, in conjunction with the Assistant Director of Procurement, the Director of Finance (or their delegate) and the Director of Legal and Democratic Services (or their delegate). All procurement exercises will be conducted following the protocol of the procurement route selected and the Procurement Governance Arrangements.

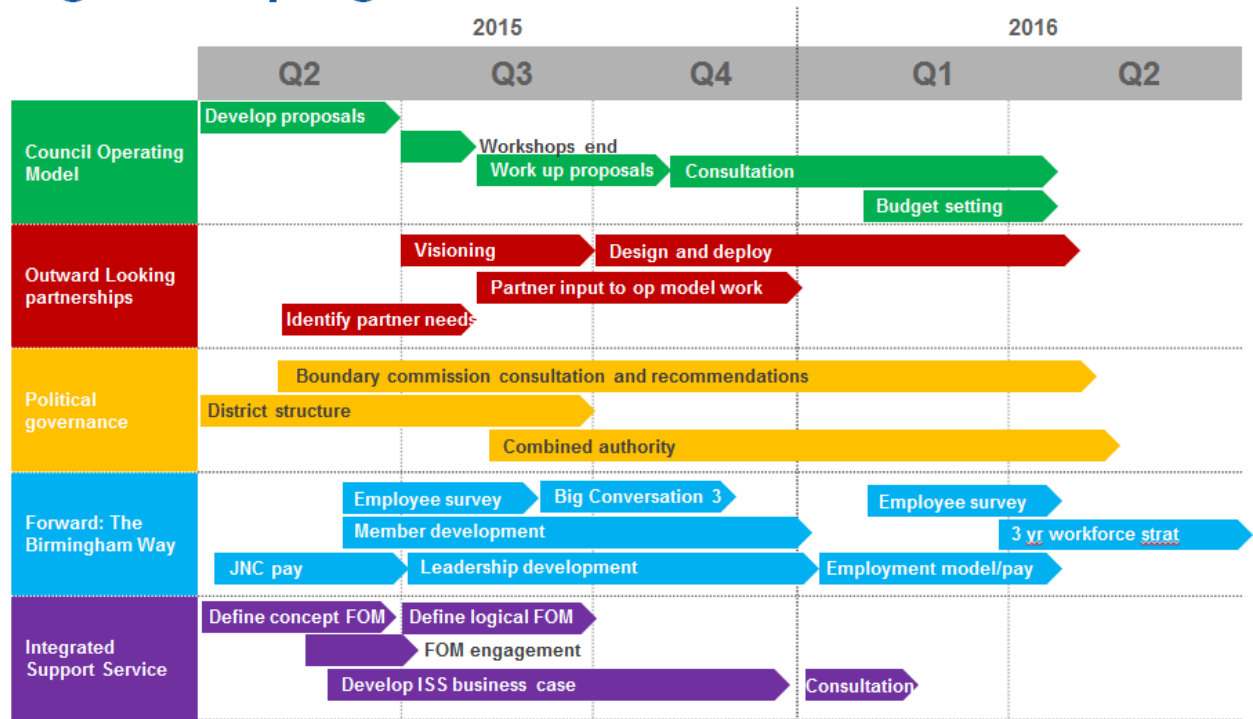
## 5.6 Within the Future Operating Model workstream, there is an immediate need for external support to 'challenge' and further develop options in the four themes:

- Preventing family breakdown
- Maximising independence for adults
- Sustainable neighbourhoods
- Economic Growth and Jobs

This work will include further challenge and stretch of existing ideas to create appropriate, deliverable options. Further details of the proposed contract award are provided in the Private report.

## 5.7 The high level programme milestones are shown in the table below:

# High level programme milestones



## 6. Evaluation of alternative option(s):

- 6.1 Cabinet agreed on 20 April 2015 that there are no feasible alternative options to the Programme.

Keen interest in the delivery and pace of the Future Council Programme continues by the BIIP.

DCLG expect the financial assistance provided to be spent as agreed in the bid.

## 7. Reasons for Decision(s):

- 7.1 The Future Council Programme resource plan was agreed by Cabinet on 29 June 2015. Since this date, £4.4m funding has been granted by the DCLG to support the delivery of the programme. This will mean progress can be made more quickly than originally anticipated.

This report provides the programme's proposal for best use of this grant to secure the agreed programme objectives.

Signatures	<u>Date</u>
Councillor Ian Ward Deputy Leader	.....
Cllr Stewart Stacey, Cabinet Member for Commissioning, Contracting and Improvement	.....
Mark Rogers Chief Executive	.....

List of Background Documents used to compile this Report:
1 Future Council Cabinet Report April 2015
2 Future Council Cabinet Report June 2015

List of Appendices accompanying this Report (if any):
1. Appendix 1 Updated Resources

## **PROTOCOL PUBLIC SECTOR EQUALITY DUTY**

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report at section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in the standard section (4.4) of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
  - (a) whether there is adverse impact upon persons within the protected categories
  - (b) what is the nature of this adverse impact
  - (c) whether the adverse impact can be avoided and at what cost – and if not –
  - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
  - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
  - the full equality impact assessment (as an appendix)
  - the equality duty – see page 9 (as an appendix).



## Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

1	<p>The Council must, in the exercise of its functions, have due regard to the need to:</p> <ul style="list-style-type: none"><li>(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;</li><li>(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;</li><li>(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</li></ul>
2	<p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"><li>(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;</li><li>(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;</li><li>(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.</li></ul>
3	<p>The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.</p>
4	<p>Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:</p> <ul style="list-style-type: none"><li>(a) tackle prejudice, and</li><li>(b) promote understanding.</li></ul>
5	<p>The relevant protected characteristics are:</p> <ul style="list-style-type: none"><li>(a) age</li><li>(b) disability</li><li>(c) gender reassignment</li><li>(d) pregnancy and maternity</li><li>(e) race</li><li>(f) religion or belief</li><li>(g) sex</li><li>(h) sexual orientation</li></ul>