

## AGENDA

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**Meeting:** Overview & Scrutiny Organisation and Resources Select Committee  
**Place:** Committee Room III, County Hall, Trowbridge  
**Date:** Thursday 27 May 2010  
**Time:** 10.30 am

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Please direct any enquiries on this Agenda to Sharon Smith, of Democratic and Members' Services, County Hall, Trowbridge, direct line (01225) 718378 or email [sharonl.smith@wiltshire.gov.uk](mailto:sharonl.smith@wiltshire.gov.uk)

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### Membership:

Cllr Nigel Carter  
Cllr Tony Deane  
Cllr Christopher Devine  
Cllr Peter Doyle  
Cllr Nick Fogg  
Cllr Charles Howard  
Cllr J Hubbard

Cllr Jacqui Lay  
Cllr Jeff Osborn  
Cllr Bill Roberts  
Cllr Ricky Rogers  
Cllr Judy Rooke  
Cllr Jonathon Seed

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### Substitutes:

Cllr Chuck Berry  
Cllr Jane Burton  
Cllr Trevor Carbin  
Cllr Ernie Clark  
Cllr Mary Douglas  
Cllr Russell Hawker

Cllr David Jenkins  
Cllr Christopher Newbury  
Cllr Jeffrey Ody  
Cllr Pip Ridout  
Cllr Graham Wright

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## **PART I**

### **Items to be considered whilst the meeting is open to the public**

1. **Election of Chairman**

To elect a Chairman of the Select Committee for 2010/2011.

Nominations will be sought orally from those present at the meeting. Voting will be by way of a show of hands.

2. **Election of Vice-Chairman**

To elect a Vice-Chairman of the Select Committee for 2010/2011.

Nominations will be sought orally from those present at the meeting. Voting will be by way of a show of hands.

3. **Apologies and Substitutions**

4. **Minutes of the Previous Meeting** *(Pages 1 - 10)*

To approve as a correct record and sign the minutes of the last meeting of the Overview and Scrutiny Organisation and Resources Select Committee held on 25 March 2010.

5. **Declarations of Interest**

To receive any declarations of personal or prejudicial interests or dispensations granted by the Standards Committee.

6. **Chairman's Announcements**

7. **Public Participation**

The Council welcomes contributions from members of the public.

If you would like to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. The Chairman will, however, exercise his discretion in order to ensure that members of the public have the opportunity to contribute.

Members of the public wishing to ask a question should give written notice (including details of any question) to the officer named above by **12:00 noon on Tuesday 25 May 2010**.

8. **Council Funding Framework for the Voluntary Community Sector** (Pages 11 - 28)

A report by the Service Director for Communities, Libraries, Heritage and Arts is attached providing details of the new proposed funding framework for the voluntary and community sector. The report was submitted to Cabinet on 24 May 2010 where endorsement of the proposed framework was requested for implementation in April 2011.

The Committee is asked to review the report and comment as appropriate.

Councillor John Thomson, Deputy Leader & Cabinet Member for Adult Care, Communities and Libraries will be in attendance to respond to questions from the Committee.

9. **Delivering Customer Focus Programme** (Pages 29 - 38)

The Committee considered a report in November 2009 by the Head of Customer Access on the Delivering Customer Focus Programme.

A resolution from the meeting was to receive a further update on the programme at the Committee's meeting in May 2010.

A report by the Head of Customer Access is attached which provides details of the progress made in order that the organisation is able to deliver improved services to customers across the organisation.

The Committee is asked to consider the report and comment as appropriate.

10. **Business Management Programme (SAP) - Update report** (Pages 39 - 46)

A report by the Service Director Shared Services and Customer Services was presented to the Committee in January 2010 which informed the Committee of the development issues and work plan for business improvement necessary to ensure the organisation uses SAP effectively to extract maximum performance and cost benefit from the solution.

It was resolved at the meeting that the Committee would receive a further update report in May 2010 which should include KPI measurements and progress against the work plan. It was also agreed that the report would provide an introduction to the HR and Procurement aspects of SAP.

A report by Jacqui White, Service Director, Shared Services and Customer Services, is now attached.

The Committee is asked to consider the report and comment as appropriate.

11. **Harmonisation of Staff Terms and Conditions of Employment (to include LGR Appointments Procedure)** *(Pages 47 - 50)*

The Committee considered a report by the Director Human Resources and Organisational Development at its meeting in November 2009. The report provided a brief on the scope and outline plan for the harmonisation of terms and conditions of staff employment and was submitted to Cabinet at its meeting on 24 November 2009.

Resolution was made at the Committee to request an update report following completion of negotiations with unions and once the collective Agreement had been drafted. The report estimated the best minimum timescale for completion as February 2010 - May 2010.

An update report by the Director, Human Resources and Organisational Development is now attached. The Committee is asked to consider its contents and comment as appropriate.

12. **Future ICT Provision - Update**

A meeting with the Chairman and Vice Chairman and the Service Director for ICT and Business Transformation took place on 10 May 2010.

The purpose of the meeting was to consider how best to scrutinise the wind down of the current contract and the development of structures for the new in-house service.

An update on ICT provision was also provided by the Cabinet Member for Resources at the Full Council meeting where it was clarified that work is underway to design the in-house ICT provision and an exit plan for the Steria contract is currently being agreed. A report on the ICT Programme will also be submitted to Cabinet in June.

The Committee is invited to consider the engagement of scrutiny in this process and the option of setting up a Task Group.

13. **Task Group Update** *(Pages 51 - 54)*

The Committee is asked to note the Task Group updates provided and comment as appropriate.

14. **Service Director Update**

As the Committee is aware, the Chairman, Vice-Chairman and Scrutiny Manager have been meeting with the Resources services directors on an individual basis in order to get a better understanding of the way in which the services are delivered and funded, and the priorities, developments and pressures that exist.

Previously meetings have been held with Deborah Farrow (Business Transformation, ICT and Information Management), Barry Pirrie (HR and Organisational Development), Jacqui White (Shared Services and Customer Care) and Ian Gibbons (Legal and Democratic Services). The outcome of these were previously reported to the Committee and where appropriate topics added to the work programme.

A similar meeting was held with Laurie Bell (Service Director Policy, Research and Communications) and Sharon Britton (Service Director for Performance) on 14 April.

Whilst the Policy, Communications and Research Department sits separately from the Department of Resources the purpose of the meeting was to discuss the departments corporate responsibilities and also the relationship between Policy and Performance and how these merge in supporting service improvement and cultural change throughout the organisation.

The following topics were covered during discussion:

- Comprehensive Area Assessment – engaging with the Audit Commission throughout the Organisation and Area Assessment Process.
- The cycle of performance reporting to Cabinet, Budget & Performance Task Group, Wiltshire Family of Partnerships and the Corporate Leadership Team (CLT).
- Exception reporting process
- The role of the Corporate Risk Management Group and Performance Leadership Group
- Action Plans – how these are developed within departments and the role of the Performance Team in monitoring their implementation and providing support.
- The membership and remit of the Corporate Working Group to develop the Corporate Plan
- The working relationship between:
  - Benefits Realisation Officer and the Finance Team
  - Programme Office and Business Transformation
- The 17 Major Programmes currently being co-ordinated by the Policy, Communications and Research Team.
- Importance of an effective Communication Strategy -success of major programmes underpinned by successful communication (with customers, staff and members)

- The re-structure of the Policy, Communications and Research team which is currently underway.
- Communications support for Overview & Scrutiny and opportunities to promote and increase awareness of scrutiny activity.

At the end of the discussion the Chairman and Vice-Chairman asked for a list of the 17 Major corporate programmes being co-ordinated by the Policy and Communications Team including brief descriptions and timescales for their delivery.

The Chairman and Vice-Chairman now plan to meet with Martin Donovan in respect of the Finance and Procurement and will report on the outcome to the next meeting of the Committee.

15. **Forward Work Programme** *(Pages 55 - 60)*

A copy of the draft Forward Work Programme is attached for consideration.

16. **Date of next Meeting**

15 July 2010.

17. **Urgent Items**

Any other items of business which the Chairman agrees to consider as a matter of urgency.

**PART II**

**Items during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed**

NONE

## **OVERVIEW & SCRUTINY ORGANISATION AND RESOURCES SELECT COMMITTEE**

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### **DRAFT MINUTES OF THE OVERVIEW & SCRUTINY ORGANISATION AND RESOURCES SELECT COMMITTEE MEETING HELD ON 25 MARCH 2010 AT COMMITTEE ROOM III, COUNTY HALL, TROWBRIDGE.**

#### **Present:**

Cllr Chris Caswill, Cllr Tony Deane (Vice Chairman), Cllr Peter Doyle, Cllr Jacqui Lay, Cllr Jeff Osborn (Chairman), Cllr Bill Roberts, Cllr Judy Rooke and Cllr Jonathon Seed

#### **Also Present:**

Cllr Jon Hubbard, Cllr Fleur de Rhe-Philipe, Cllr Jane Scott OBE and Cllr John Thomson

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#### **46. Apologies and Substitutions**

Apologies for absence were received from Cllr Nigel Carter, Cllr Christopher Devine, Cllr Nick Fogg and Cllr Ricky Rogers.

No substitutions were received.

#### **47. Minutes of the Previous Meeting**

Cllr Caswill requested that a note was made to record that regular updates should be received by the Select Committees from the newly formed Liaison Board under item 39 – Role of a Future Management and Co-ordination Body.

With the above note made the minutes were approved as a correct record.

#### **48. Declarations of Interest**

No declarations of interest were received.

#### **49. Chairman's Announcements**

- (1) The Chairman welcomed the Chief Executive and his senior staff to the Committee.

- (2) The issue of the new in-house ICT service implementation was raised, as approved by Cabinet on Tuesday 23 March and announced in the Hot Wire release on Wednesday 24 March. The Chairman felt that the Committee should take an interest in the level of service provided in the period up to the termination of the Steria contract on 13 January 2011 and the structures put in place to implement the new in-house arrangements. ICT services would be added to the forward work programme accordingly.

50. **Public Participation**

There was no public participation.

51. **Partnerships Task Group Update**

The Partnerships Task Group held its first meeting on 16 March to agree its work programme. The Community Safety Delivery Partnership was chosen as the topic for the first review.

The Committee would meet again in April to scope the review with an invitation extended to partners (i.e. police, health authority) thereafter for their contribution.

**Resolved:**

**To note the update.**

52. **Budget & Performance Task Group Update**

- (1) Following the update provided with the agenda, the Chairman of the Budget and Performance Task Group confirmed that the next meeting of the Task Group was scheduled to take place on Tuesday 30 March where one of the items for discussion would be the Business Management Programme (SAP) independent audit.
- (2) The Committee then considered the report by Ian Gibbons, Service Director Legal and Democratic Services, which requested that the committee consider the representations of the Budget and Performance Task Group following the decisions on restructuring taken at the last meeting of the committee in January 2010.

At the meeting held in January 2010 it was resolved that an over-arching body (the Overview and Scrutiny Management and Co-ordination Liaison Board) would be established. As a consequence the management of the overview and scrutiny function would be removed from the Management and Resources Select Committee (it now being the responsibility of the Liaison Board with the Budget and Performance Task Group dissolved).



Following the decision some members of the Task Group expressed concerns on the consultation process undertaken and that the removal of the Task Group would result in a loss of knowledge brought together from the four existing Select Committees.

**Resolved:**

**To rescind the previous decision and reinstate the Budget & Performance Task Group.**

53. **Major Contracts Task Group Update**

The update included details on the review of the Logica Contract and that the next meeting on 28 April 2010 would review Jarvis (responsible for office accommodation at the Monkton Park hub in Chippenham).

**Resolved:**

**To note the update.**

54. **Workplace Transformation Programme Task Group Update**

The Task Group met on 22 March 2010 when the Service Director for Business Transformation and ICT gave an introduction to the work stream and the services that had so far undergone lean/systems thinking transformation or were in the process.

Cllr Jonathon Seed, as a member on the Task Group, also provided details on the workplace transformation campus project. Cllr Seed confirmed that the project would review the number of sites owned by Wiltshire Council with a view to reducing assets and costs without a reduction in service delivery.

Ensuing discussion included the need for clarification over the role of the Task Group in scrutinising the Programme. Cllr Rooke confirmed that at her request this would be done at the beginning of the next meeting.

**Resolved:**

**To note the update.**

55. **Local Service Review Task Group Update**

The meeting on 16 March considered the Area Boards – Leader’s Review Report. A summary report (considered by Cabinet on 23 March) expressing the views of the Task Group on the report was also circulated.

Cllr Bill Roberts as a member on the Task Group provided further information on the content of the summary report and concluded that the Task Group were

supportive of all 24 recommendations made as a way of seeking improvement to the operation of Area Boards.

Ensuing discussion included acknowledgement that there had been an increase in attendance at area boards since their commencement although it was understood that some confusion still remained over the powers granted and the differing responsibilities between the Area Boards, Parish and Town Councils. An overlap also existed between the area boards and other bodies, such as Chippenham Vision. Clarification was provided by the Leader of the Council that the focus of the Chippenham Vision board was to engage residents in the economic development of the town but that this should not deter those residents involvement in area boards on other matters.

The Cabinet Member for Adult Care, Communities and Libraries clarified that as a new structure for this Council Area Boards were still evolving and necessitated Councillors and officers as a whole working together to promote their existence and to ensure appropriate issues were raised through the members for each board.

Resulting discussion drew attention to how issues raised were subsequently handled with clarification that a process was in place to ensure these were logged. Community Area Managers were responsible for logging the issues and ensuring the due process was followed. No issues could be closed without approval of the individual area board.

It was reported that the area board handbook provided general policies on how the boards should be run, including details of the 'issue log'. Each area board also had the flexibility to allow a focus on community issues relevant to their individual areas.

Further response was provided that the reference to public scrutiny within the report did not refer to the statutory OS function exercised by the select committees and that details of the funding allocation provided to date would be circulated.

**Resolved:**

- 1) To note the matters considered by the Task Group and it's overall support for the recommendations in the report submitted to Cabinet on 23 March 2010.**
- 2) To agree that Overview and Scrutiny should be involved in the further review of the Area Boards in 12 months time.**

56. **Corporate Plan**

A copy of the draft Corporate Plan approved by Cabinet on 23<sup>rd</sup> March for wider communication was considered by the Committee so that it's views could be taken into account in preparing the final version.

The Leader, Chief Executive and Director of Policy and Communications attended the meeting to answer questions.

The Chief Executive explained that the objective of becoming the 'best local authority in the UK' was to ensure high aspirations were maintained whilst providing the best service to the community who would ultimately decide how 'best' was defined. All plans would be developed to ensure the organisation maintained a clear view on how it shaped itself to deliver the best service to the community as the authority continued to mature.

The Chairman acknowledged that the Corporate Plan would be the building block to provide the Business Plan and individual Departmental Delivery Plans and confirmed that the select committees would look to monitor all elements as they progressed.

In order to assist with future scrutiny, the Committee requested greater clarity around some of the targets (to include cross-referencing to LAA, CAA and benchmarks where appropriate) outlined in the Corporate Plan.

The Leader of the Council confirmed that the Corporate Plan would be submitted to Cabinet again in April and Council in May for final approval and that the final document would be easily accessible to the public who should also be able to access the related documentation behind the plan as and when completed.

Clarification was also provided that although the nine priorities set out within the Plan did not reflect the order of priority, Cabinet had already made comment that customer focus should always appear first and foremost.

Ensuing discussion included the current economic climate, the benefit implications of partnership working and what benchmarking would be in place to monitor progress and evaluate completion.

The Medium Term Financial Plan and Business Plan were highlighted as documents to provide further information on how the business would cope with less funding during the current economic climate. It was also noted that Wiltshire Council was already considered by the Government Office South West and central government as one of the best authorities in the south west in terms of working together with partners to support individuals, young people and businesses through the current climate.

'High quality, low cost' services and how these would be achieved was also raised with the Corporate Director for Resources clarifying that the principle had already been applied to parts of the Resource Service and had resulted in a stronger service with reduced costs.

Further discussion included harmonisation of youth services and whether the allocation of funding was considered a fair apportionment, the procurement strategy and how this would support localised suppliers and the involvement of area boards in influencing the Corporate Plan. Educational attainment at key stage 2 was also acknowledged to be an area of concern with the Chief Executive confirming that a complex programme on intervention was being drawn up to tackle the issues and develop long term goals to address the problem.

The Chairman in concluding discussion due to time constraints identified that the specific views and detailed questions of the Committee would be circulated to Cabinet for consideration following the meeting.

The Chairman thanked the Leader, Chief Executive and Director of Policy and Communication for their attendance.

**Resolved:**

- (1) To note the decision of Cabinet on 23 March to approve the plan as drafted for wider communication.**
- (2) To recommend Cabinet to take into account the specific views of Scrutiny when it receives the revised Plan in April (as set out in Appendix A).**
- (3) To agree that the relevant Select Committees scrutinise the key outcomes in the Plan, and the departmental delivery plans and sections from the new business plan when available.**
- (4) To note that the final version of the Plan would be taken to Full Council on 18 May for approval.**
- (5) To note that an annual refresh is planned (over the 4 year life of the Plan) which will provide further opportunities to hold the Leader and Chief Executive to public account for its delivery.**

**57. Framework Contract for the Provision of Agency Staff**

In order to comply with Council Financial and Contract Regulations relating to contracts with a value great than £1m and European Union 'Restricted Tender' Provision, a competitive tender exercise for the future supply of Temporary Agency Staff was required.

A Project Board was established to consider the framework required and, as a result, a preferred option for the provision of Agency Staff was considered by Cabinet at its meeting on 23 February 2010. A copy of the Cabinet report and a response from Cllr Jonathon Seed, the appointed Scrutiny representative on the Board, were circulated.

Cllr Seed reported that issues with employment and accountability of agency and contract staff were evident including difficulty in monitoring due to lack of transparency. However, Cllr Seed concluded that both officers and the Cabinet Member had responded positively to the problem. All agency and contract staff would now be declared through a neutral vendor managed service monitored through the SAP system.

Cllr Seed also reported that Wiltshire Council was considering partnership working with Bath and North East Somerset Council as a way to share agency resource and to reduce costs in the future.

Clarification was provided by the Corporate Director for Resources that approximately 20% of staff were agency and consultants but that this figure was anticipated to reduce within the next 12 to 18 months as services were harmonised. The SAP system would continue to monitor over this period.

**Resolved:**

- 1) To note the update provided and the decision of Cabinet to approve the commencement of the competitive tendering process.**
- 2) To receive a further update report in July 2010 being aware that a new contract arrangement should be in place by 1 November 2010.**

**58. Committee Name**

It was reported that the Committee, at its meeting in January 2010, took a decision to create an (informal) Liaison Board resulting in the management of the overview and scrutiny function moving from the Committee to the Liaison Board subsequently leaving the Committee with a Resource only function.

As part of this function it was recognised that resources included more than the scrutiny of the executive activities associated with the Resources Department but that it would also retain and cover scrutiny of corporate and organisational affairs.

The Committee was keen to see this responsibility reflected in its title in order to give clear visibility and clarity to its work. As a result the following options were suggested:

- (i) Corporate and Resources Select Committee

(ii) Organisational Management and Resources Select Committee

Ensuing discussion concluded that neither proposal was felt to represent the Committee's responsibilities accurately so alternatives were offered by members.

**Resolved:**

**That the title for the Committee will be 'Organisation and Resources Select Committee'.**

59. **Meeting with Resources Service Directors - Ian Gibbons**

It was reported that the Chairman, Vice-Chairman and Scrutiny Manager had been meeting with Resources Service Directors to gain a better understanding on service delivery, funding, priorities, departmental developments and pressures applying to each.

Meetings had already taken place with Deborah Farrow (Business Transformation, ICT and Information Management), Barry Pirrie (HR and Organisational Development) and Jacqui White (Shared Services and Customer Care) and the outcomes reported to the Committee.

A similar meeting was held with Ian Gibbons (Legal and Democratic Services) on 11 March where several issues, as outlined in the agenda, were discussed. The Chairman and Vice-Chairman, following this discussion, asked for staffing structures to be supplied and further details on the market supplements scheme and considered that reviews of Section 106 agreements and members support in the locality should be added to the Committee's future work plan.

**Resolved:**

- 1) **To agree that a Task Group be established to consider the responsibilities and pressures of S106 agreements with membership to be determined by the Chairman and Vice-Chairman subject to report to the next meeting.**
- 2) **To agree that a Task Group be established to consider the level of local support provided to Councillors and how it is organised and managed with the membership to be determined by the Chairman and Vice-Chairman subject to report to the next meeting.**

60. **Forward Work Programme**

The Committee noted the Forward Work Plan provided and the changes to be made as a consequence of decisions taken at today's meeting.

61. **Date of Next Meeting**

27 May 2010 to be held at County Hall, Trowbridge.

(Duration of meeting: 10.30 am - 1.00 pm)

The Officer who has produced these minutes is Sharon Smith, of Democratic & Members' Services, direct line (01225) 718378, e-mail [sharonl.smith@wiltshire.gov.uk](mailto:sharonl.smith@wiltshire.gov.uk)

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**Wiltshire Council**

**Cabinet**

**24 May 2010**

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**Subject: Wiltshire Council Voluntary and Community Sector (VCS) Funding Framework**

**Cabinet Member: Councillor John Thomson, Deputy Leader and Cabinet Member for Adult Care, Communities and Libraries**

**Key Decision: No**

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## **Executive Summary**

1. The purpose of this report is to set out proposals on how the Council will support the Voluntary and Community Sector, (VCS) by clarifying its funding processes to ensure they are clear, equitable and accessible. Approval of the proposal will ensure that for the first time, a model of funding the VCS will be consistently applied across the Council. If Cabinet approve the recommendations in this report they will be put before the Board of NHS Wiltshire.
2. In 2008 the Council approved 13 recommendations made in the Council and NHS Wiltshire Review of Working with the Voluntary and Community Sector. An update on the recommendations is attached at Appendix 1. This report looks particularly at the development of Recommendation 5, which proposes that the Council and PCT jointly adopt the “shopping, giving and investing framework set out in the review report”. The VCS have requested a change of wording to grants, procurement, investing, (‘grants’ replacing ‘giving’ and ‘procurement’ replacing ‘shopping’) The report also considers recommendation 8 which proposes the implementation of the Full Cost Recovery framework.
3. This report describes how the work has been taken forward with the engagement of the Voluntary and Community Sector, (VCS), and identifies the major issues.
4. The potential concern for the Council is that without timely intervention to encourage collaborations and mergers, Wiltshire could lose small high quality organisations that have a real understanding of their communities and target groups.

They will not have the capacity or the evidence to tender to deliver services across Wiltshire by April 2011, nor will they be clear about the grant funding process.

5. The report identifies that many of the current Council procurement processes are being reviewed. As reviews of regulations, policies and procedures are being undertaken, they will need to take account of the impact on the VCS and some of our procurement practices will need to evolve in order to allow the Council to make best use of the resources available. This will include commissioning and decommissioning strategies.
6. The report accepts the principles of 'full cost recovery', which is a framework to enable the VCS to properly cost its services. This ensures the sector can tender and be certain that the budget covers all costs. The Council cannot be bound by full cost recovery principles where it awards a **grant** towards an activity or service, as opposed to **commissioning** a specific service.
7. The report identifies the process for taking forward the monitoring and evaluation of all resources provided to the VCS, where an organisation has funding from the Council. The performance assessment framework, which sits alongside the funding framework, is still being developed in partnership with the Wiltshire Infrastructure Consortium and a few small voluntary organisations.
8. The funding framework once agreed will form part of a suite of documents that will include the performance assessment framework (Recommendation 7) and a quality standard for the VCS (Recommendation 9).
9. The Council has recently participated in a government sponsored Partnership Improvement Programme (PIP), delivered through the IDeA (Improvement and Development Agency). As a result of this programme, it has been agreed that the Council and NHS Wiltshire will work with the Wiltshire Infrastructure Consortium (WIC)<sup>1</sup> to make agreements between those statutory organisations and the VCS, including negotiation on any changes to funding of the VCS that should arise.

## Proposal

Cabinet is asked to:

1. Agree to the arrangements set out in the report for adopting a 'grants, procurement and investing' model for funding the Voluntary and Community Sector, and to endorse that wording as the preferred option of the VCS in Wiltshire (it replaces the suggested wording of 'shopping, giving, investing')  
The full funding framework template is attached at Appendix 3;

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<sup>1</sup> Wiltshire Infrastructure Consortium is a partnership of generalist and specialist VCS infrastructure support organisations from across Wiltshire

2. Agree the application of the full cost recovery model set out in the report as it applies to commissioned services (excludes grant provision);
3. Agree to the principle of removing current more cumbersome arrangements for the award of grants so that arrangements for grants to VCS organisations up to a maximum of £25k can be awarded without the need for quotations that are more appropriate for procured services. A working group of relevant Council staff including procurement and legal representation could complete the necessary work on eligibility criteria and processes for implementation by 1<sup>st</sup> April 2011 and
4. Agree to delegate the responsibility for finalising the detail of the VCS Funding Framework to the Head of VCS Strategy in consultation with the portfolio holder for DCS. This will allow the Performance Framework and quality standard elements of the work to be incorporated into the Funding Framework prior to implementation from 1<sup>st</sup> April 2011.

### **Reason for the Proposal**

The proposal represents a clear and transparent process for setting out Council funding of the Voluntary and Community Sector. At present there is no unified Council process, but a number of arrangements brought together from five former councils.

**Niki Lewis, Service Director for Communities, Libraries, Heritage & Arts**

**Wiltshire Council**

**Cabinet**

**24 May 2010**

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**Subject:** **Wiltshire Council Voluntary and Community Sector (VCS) Funding Framework**

**Cabinet Member:** **Councillor John Thomson, Deputy Leader and Cabinet Member for Adult Care, Communities and Libraries**

**Key Decision:** **No**

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**1. Purpose of the Report**

1. The purpose of this report is to set out how the Council will support the Voluntary and Community Sector (VCS), by clarifying its funding processes to ensure they are clear, equitable, accessible and consistently applied across the Council. This will enable the VCS to better support the Council to deliver its strategic objectives and to contribute to more resilient communities in Wiltshire. It will be the first time that there has been a clear model of Council funding that has been agreed with the voluntary sector.
2. This Funding Framework needs Cabinet approval in order to inform the funding arrangements for 2011 and beyond. If Cabinet approve the recommendations contained in this report, they will be put to the Board of NHS Wiltshire.

**2. Background and Context**

1. The Council recognises and acknowledges the 'added value' that the third sector can bring to service provision and the importance that the relationship with the third sector has on the quality of life for Wiltshire residents
2. Government coined the term 'Third Sector' to be of equal value, but different from, the statutory and business sectors. Generally the voluntary and community sector do not like the term 'Third Sector' as they feel it implies they are third ranking. Many authorities use the term Voluntary and Community Sector, (VCS), as interchangeable for third sector, as is the case in Wiltshire.

3. This Funding Framework has been developed in consultation with the VCS through a part time secondment of a Chief Officer from a support organisation, to Wiltshire Council.

It has also been progressed through the Corporate VCS Working Group which is responsible for ensuring consistency throughout the range of reviews that are being undertaken (including procurement and commissioning reviews), and links with the Corporate Procurement and Commissioning Board.

4. Any Funding Framework must meet the commitments of the Council to the Wiltshire Compact, the agreed set of principles within which the statutory agencies and the VCS work together. The Wiltshire Compact code of practice on funding and procurement will be revised and informed by this Voluntary and Community Sector Funding Framework.
5. The 'Working with the Third Sector' report produced by the Audit Commission 2005 said 'Funders need to be clearer about the purpose of funding, and decide for each funding programme whether they are engaged in supporting a worthy cause ('giving'), procuring services ('shopping') or in building capacity in the sector ('investing').'
6. Recommendation 5 of the Review to 'adopt the 'shopping, giving, investing' framework was informed by the above point 5. Recommendation 8 of the Review was to adopt the principles and practice of the full cost recovery framework covered later in this report.
7. The Review identified that in 2007/08, funding from the Council and NHS Wiltshire contributed to around 400 different organisations, mostly in Wiltshire, delivering more than 1100 different services or projects. It was identified that £18.1 m of council funding was received by the VCS excluding the contracts for residential and nursing care. It identified that the Council and VCS work closely together to deliver services for Wiltshire people. In 2009/10 the Council spent £25m with the VCS in Wiltshire, excluding residential and nursing care.
8. Consultation with the voluntary and community sector has demonstrated that they are keen to work with the Council and NHS but are opposed to the terms 'shopping, giving and investing'. Their preference is for 'grants, procurement and investing'. They understand that the Review stated that the funding framework must be aligned with strategic and corporate objectives so that the Council and NHS can meet performance objectives, achieve best value and ensure accountability for public funding. See tables 1 and 2 below.

## Current Model

Table 1

Resource	Process
Small Grants of up to £5K	A simple application process via Area Boards or A non competitive process
Grants £5K - £25K	3 quotes required 2 must come from Buy Wiltshire*
Grants £25K - £100K	5 quotes required 3 must come from Buy Wiltshire
Over £100K Total Contract Value	A tender process required unless formal exception or exemption agreed

\* Buy Wiltshire is an initiative developed to promote local business trading and to facilitate networking

## Proposed Model 'Grants, Procurement and Investing'

(For Use on completion of Funding Framework application process

Table 2

<p><b>Grants up to £25k</b> - Funding to a VCS organisation that will not be subject to a competitive tendering process. Current arrangements for Area Board Grants (maximum £5k) are unaffected.</p> <p><b>Grants between £25k - £50k</b> will be subject either to a Service Level Agreement (SLA) or a Partnership Agreement</p> <p><b>Grants above £50k</b> will require formal exemption</p> <p><b>Procurement</b> - the purchase of a service through a tightly specified contract that will have been through commissioning, often a tendering process.</p> <p><b>Investing</b> - building the capacity of the VCS. This is often funding to an infrastructure (support) service to build skills and knowledge of front line organisations but could relate to a specialist organisation e.g. Citizens Advice Bureau.</p>
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(For use on completion of Funding Framework process)

## **1. Main Considerations for the Council**

### **VCS in Wiltshire 2011 and beyond**

1. To sustain a thriving voluntary and community sector the Council has a responsibility to ensure that they create an environment for a thriving voluntary and community sector. This is reported through National Indicator 7 and the Government seek feedback from the VCS (through Ipsos Mori) on the relevance of the Local Authority to the success of the VCS in each Local Authority area.
2. The Council aspiration to support the VCS makes sound business sense and accords with the corporate objectives in relation to resilient communities and in order to ensure this, it is essential that the VCS is clear about the circumstances under which they can apply for funding and understand the processes which determine funding decisions.
3. As part of the exercise to develop this framework it has become clear 'Buy Wiltshire' is not widely known within the voluntary and community sector. VCS organisations who may wish to do business with Wiltshire Council should register on 'Buy Wiltshire' ([www.buywiltshire.co.uk](http://www.buywiltshire.co.uk)) This will be promoted within the VCS by the Council funded support service, since it will be essential for tendering.
4. The VCS in Wiltshire is made up of many small organisations that either only offer a local service or very specialist provision. Without wishing to lose the unique contribution made by these providers, it is clear that there are benefits to be gained by collaborative working and mergers as well as the more obvious removal of duplication, if an organisation is looking for statutory funding.
5. As part of the consultation for this framework the VCS in Wiltshire was clearly becoming more aware of the need to explore collaborative and partnership working arrangements. However more still needs to be done and this is being discussed with the Council funded external support service.

### **Unified Funding Processes and Relationships**

6. Cabinet approved the current grant guidance on 18.11.2005. A revised procurement strategy is now being consulted on, the partnering protocol is being revised and many of the documents and processes that sit beneath these are also being reviewed to ensure they are up to date, robust and meet current standards for good practice.

The responsibility for ensuring that all revised procurement documentation takes account of the VCS, sits with the VCS Head of Strategy through chairing the Corporate VCS Working Group and membership of the Corporate Procurement and Commissioning Board.

7. Some funding awarded to the VCS is based on a partnership agreement and must be guided by the partnering protocol. The definition of a partnership agreement is an agreement between two or more organisations working collectively to achieve shared objectives and outcomes. The partnering protocol is clear about the process that must be undertaken as justification for such an agreement and it must be recorded in the Partnership Register.
8. A register of total Council funding with the VCS is being compiled from across the Council by the VCS Support Unit that will hold the overview of Council spend in the sector. This will include grant funding not described in either the register for contracts or for partnering agreements.

### **Full Cost Recovery**

9. The perception of the VCS is that the Council sometimes expects the voluntary sector to provide services at less than commercial cost price and in addition will deliver 'added value'.
10. In the Review's Recommendation 8, it was agreed that the Council would adopt the principles and practice of the full cost recovery framework. It was accepted that this needed further discussion before practical application could proceed. Full cost recovery ensures that a proportion of indirect costs, as well as the direct costs of running the service, are added to the cost of the project. Clarity was required about whether adopting these principles applies across the board or only to procured services as there is some concern within the Council that full cost recovery principles can lead to double funding aspects of VCS provision rather than extending services. An overview of grant funding is now held by the VCS Support Unit and this information can be seen alongside both the contract and partnership registers, to ensure that double funding does not occur, when full cost recovery principles are applied.
9. It also became clear during consultation that many VCS organisations do not fully understand the full cost recovery process and implications. A number of training courses have now been delivered and further courses are planned in order to improve understanding across the sector. This will ensure that the VCS are able to properly cost their services so that if they wish to enter a tender process they are clear about what is required from the tender specification.

They need to assure themselves the service they are planning to deliver can be afforded within the Council's available budget.



12. Some organisations may decide to tender at a reduced price to get market advantage but that would be the organisation's commercial decision and not a matter for the Council.
13. It is proposed that where the Council awards a grant it should not be bound by 'full cost recovery' as Council funding will only be a contribution towards the service (or activity) and not the total cost. Only where the Council is buying a whole service from a VCS organisation should the Council's commitment to full cost recovery be implemented.
14. A brief summary of full cost recovery principles is attached at Appendix 2
15. The Corporate Funding Framework template can be found at Appendix 3.

### **Monitoring and Evaluation**

16. In Service Level Agreements (SLAs) and contracts between the Council and the VCS there must be clarity about the required outputs<sup>2</sup> and outcomes<sup>3</sup> and how the effectiveness of the contract will be monitored.
17. It will be important to monitor the soft outcomes (qualitative) as well as statistical information (quantitative). This will help the sector identify how they contribute to tackling exclusion, inequality and disadvantage. In partnership with the Council and other statutory partners this can contribute to making communities much stronger and more self-reliant.
18. The monitoring and evaluation process, whilst essential must be proportionate to the money being awarded. An agreed performance framework, to include a VCS quality mark for Wiltshire, is currently being developed by the Council in partnership with the VCS and the Wiltshire Infrastructure Consortium<sup>4</sup>.
19. The quality mark will enable organisations to be fast tracked through some of the Council funding processes. The quality mark will show that an organisation has been deemed 'fit for purpose', demonstrating all the hallmarks of a good charity or 'not for profit' business. National quality marks will also be evidence of the quality of an organisation

## **4. Environmental Impact of the Proposal**

1. There is no negative environmental impact associated with the VCS funding framework. By openly supporting a range of organisations

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<sup>2</sup> Outputs are activities / actions / targets to be achieved

<sup>3</sup> Outcomes are the difference the outputs have made.

<sup>4</sup> Wiltshire Infrastructure Consortium is a partnership of generalist and specialist VCS infrastructure support organisations from across Wiltshire

through the model of grants, procurement and investing, Council funding is clearly made available for small and innovative projects at the local level.

## **5. Equalities Impact**

1. The Funding Framework is designed to ensure it is inclusive of all voluntary and community organisations including very small and specialist providers and community groups. A transparent funding framework supports the Council's objective of open decision making.

## **6. Risk Assessment**

1. The risk of not implementing a new framework is that the VCS in Wiltshire would be likely to decline in a challenging financial environment.
2. If the VCS is not clear how funding decisions are made when financial restrictions are necessary the Council could lose the recent improvements in the relationship with the VCS.
3. There is a risk of confusion both internally and externally if the Council does not bring together past good practice from the 5 former councils into one harmonised framework.

## **7. Financial Implications**

1. There are no additional cost implications to the Council in implementing the proposed VCS Funding Framework.
2. Decisions about funding the VCS for 2011 will be made during 2010 – 2011 and discussed with the sector. They are being encouraged to consider their future priorities to ensure they survive and thrive.
3. Funding decisions made through the funding framework will be within budget availability. I.e. the Funding Framework is a decision-making framework.

## **8 Legal Implications**

1. All commissioning must comply with the Council's Financial Regulations and Standing Orders in relation to Contracts.
2. The EC Procurement Directives are applicable to all procurements.
3. All activity must comply with the requirements of the Data Protection Act 1998 and Freedom of information Act 2000.

**Niki Lewis, Service Director for Communities, Libraries, Heritage & Arts**

Report authors:

Sandie Lewis  
Head of Strategy VCS Support Unit

Margaret West  
Chief Officer  
Voluntary Action Kennet  
(seconded)

27th April 2010

### **Background Papers**

- The Wiltshire Council and PCT Review of its relationship with the VCS
- Cabinet minute 164 18/11/2005
- Working with the Third Sector National Audit Commission 2005

### **Appendices**

1. An update on progress against each of the recommendations in the Review of Working with the Voluntary and Community Sector.
2. A brief summary of full cost recovery principles
3. The Corporate Funding Framework template

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**An update of the Recommendations in the Wiltshire Council / NHS Wiltshire Review with the Voluntary and Community Sector**

**Recommendation 1**

**The Council, NHS Wiltshire and the VCS together determine the most effective way of mapping and assessing the economic and social impact of the voluntary and community sector in Wiltshire**

Still to be addressed – on work plan for VCS Unit - possibly with placement input 2010/11. N.B. This work is being undertaken for South West Forum, but with a longer timescale.

**Recommendation 2**

**The Wiltshire Infrastructure Consortium- WIC, the Council and NHS Wiltshire jointly explore the potential for clear proposals that will lead to the creation of a single infrastructure gateway.**

Still to be addressed – in discussions with VCS currently.

**Recommendation 3**

**WIC, the Council and NHS Wiltshire jointly initiate/explore the potential for the development of a single VCS Assembly for Wiltshire with an agreed timescale.**

WIC created a proposal which the VCS accepted at its first meeting with the wider VCS in 2008. Two VCS Assemblies took place in 2009 and one on 2<sup>nd</sup> March 2010. Another is planned for later 2010. Date tbc.

**Recommendation 4**

**The Council and NHS Wiltshire review the arrangements for day to day working with representatives of the VCS ensuring as far as possible there is ease of access, continuity of officer relationships and problem solving assistance.**

This links to Recommendation 10 and the development of the VCS Support Unit. The new corporate VCS Working Group is agreeing a common standards framework.

**Recommendation 5**

**Wiltshire Council / NHS Wiltshire adopt the ‘shopping’, ‘giving’, ‘investing’ framework set out in the report.’**

Margaret West from Voluntary Action Kennet has been seconded to take the lead on this piece of work and is consulting with the sector now. Paper to Cabinet on funding framework 25<sup>th</sup> May 2010.

**Recommendation 6**

**The Council and Wiltshire PCT develop a transition plan for moving all existing funding arrangements with the VCS to the proposed framework within an agreed timescale.**

This will follow on from Recommendation 5. From 1/4/2010 PCT Grant Funding is coming through VCS Support Unit via section 256 agreement.

**Recommendation 7**

**The Council and NHS Wiltshire conduct further detailed work to scope and implement the outline performance assessment framework.**

Margaret West is seconded to work on this and is currently working in partnership with WIC development manager.

**Recommendation 8**

**The Council and NHS Wiltshire in consultation with the VCS adopt the principles and practice of the full cost recovery framework**

A paper has already been drafted, which will form an appendix to the Funding Framework.

**Recommendation 9**

**The Council and NHS Wiltshire with the VCS will evaluate the potential and assess the implications of PQASSO quality assurance framework to support accreditation of VCS organisations**

Margaret West is working in partnership with WIC. Any system will be proportionate based on the principles of an organisation being 'fit for purpose'. Many organisations have a national quality system to attain and a variety of other options are available to meet specific needs related to the customer base.

**Recommendation 10**

**The Council to scope and implement arrangements for a VCS Support Unit**

The VCS Support Unit opened in July 2009. The email address is [vcs@wiltshire.gov.uk](mailto:vcs@wiltshire.gov.uk) the telephone number is 01225 713510.

**Recommendation 11**

**The Council and NHS Wiltshire review the function and remit of the internal Compact Steering Group**

This function has been incorporated into the Corporate VCS Working Group

**Recommendation 12**

**The Council, NHS Wiltshire with the VCS together review the current Compact and its future operation in the context of the framework of partnership working.**

The Compact Board has developed an action plan which addresses the need to revise the Compact and its codes of practice. This is due to go out for consultation in June 2010. A new Compact Board Chair takes up post in May 2010, (Peter Baxter)

**Recommendation 13**

**Plan and implement a programme to increase the profile and awareness of the Compact**

This forms part of the Compact action plan following Recommendation 12.

## Full Cost Recovery

A model Full Cost recovery was proposed in 2003, following a large number of failed VCS organisations due to insufficiently costing the delivery of services.

At the heart of full cost recovery is the idea that in any organisation there are two types of costs: the direct costs of delivering an activity and the indirect costs of supporting the delivery process and managing the organisation.

### What is Full Cost Recovery?

Full cost recovery means recovering or funding the costs of a project or service. In addition to the costs directly associated with the project, such as staff and equipment, projects will also draw on the rest of their organisation and this will have a cost eg HR, IT etc. The project costs therefore include a proportion of these costs.

Costs are divided into four categories:

**Direct output costs** – direct output costs are the dedicated costs involved in delivering the service. They are the costs involved in employing staff and resources that directly deliver or work with the client.

**Direct support costs** – Direct support costs are the costs involved in supporting and supervising the service delivery. Time involved in supervising project workers would be included here.

Indirect support costs – Indirect support costs pay for organisational functions that provide a base for services to be delivered. This would usually include central management and administration, finance and facilities. They are not directly involved in the service delivery.

Governance and strategic development work includes the costs of meeting regulatory functions and costs involved in developing future activities for the organisation.

The VCS also needs to consider whether there are costs related to:

**VAT** – Voluntary organisations also need to consider whether VAT is chargeable to supply the services. This occurs when the contract is to deliver a service. A grant aid arrangement is to support an organisation and therefore no tax is liable. An organisation needs to register for VAT if the turnover is £68,000 for taxable services/supplies.

**TUPE** – the transfer of undertakings (Protection of Employment) regulations 2006 protect the rights of employees who are transferred from one employer to another, requiring the old employer to inform and consult with staff who are affected and obliging the new employer to maintain certain terms and conditions such as pay, leave and pension entitlements. This can become relevant if an organisation is bidding to take over an existing service.

### **What are the benefits of full cost recovery?**

Promoting full cost recovery has major advantages for **funders** of VCS organisations:

**Accuracy:** Full cost recovery gives funders a true reflection of the cost of the projects and services they support.

**Transparency:** Full cost recovery provides the only clear and defensible cost allocation method, promoting trust between funders and the organisations they fund.

**Efficiency:** Full cost recovery reduces the time spent re-packaging and analysing costs by funders and funded organisations.

**Appropriateness:** Full cost recovery ensures that funders pay for all and only the overheads that support their project, rather than subsidising other projects.

**Sustainability:** Only under full cost recovery can funded organisations survive in the long term, so that their projects and services continue.

By implementing full cost recovery the VCS develops an understanding of the true cost of their work. Such an understanding is essential for financial management and strategic planning across an organisation.

### **What are the views of Wiltshire Council and NHS Wiltshire on full cost recovery?**

In the review of the relationship with the voluntary and community sector, May 08, Wiltshire Council and NHS Wiltshire concluded that in principle they adopted the principles and practice of the full cost recovery framework. However the VCS should be free to determine its approach to pricing in an environment of competitive procurement. Where funding to an organisation is via a grant or investment funding then full cost recovery may not be appropriate or viable.

### **Conclusion**

In moving forward the funding framework the sector needs to ensure organisations have opportunities for learning the full cost recovery approach. The Council and NHS Wiltshire need to be clear when they feel it is inappropriate for full cost recovery to be applied to the whole sum and should negotiate the percentage that relates to fixed costs rather than delivery.

For more information or to share your views on full cost recovery model, please email [vcs@wiltshire.gov.uk](mailto:vcs@wiltshire.gov.uk)



**DRAFT Template**  
**Wiltshire Council Funding Framework**  
**with the Voluntary and Community Sector**

1. **Background**  
 Why the framework has been developed. The purpose of the Framework.
2. **Understanding Commissioning**
  - Concept
  - Principles
  - Models
  - Planning & commissioning cycle
3. **The Value of Commissioning**  
 The aim of obtaining better outcomes for individuals and communities as well as ensuring best use of public funds.
4. **Intelligent Commissioning and Market Management**  
 This will be a diagram showing the process for service users, the market and procurement.
5. **Compact Principles and Code of Practice**  
 A brief overview of the Wiltshire Compact and its codes of practice plus it's role in commissioning.
6. **Sources of Funding**  
 Grants  
 Investing and Partnering  
 Procurement
  - Explaining how these funding sources are used corporately and the regulations governing their use.
  - Removal of duplication
  - The components of the tendering process with examples in the appendices
  - Length of funding awarded
  - A flowchart of the process of commissioning and the different types of funding.
  - Timescales for the sector when procuring/tendering services
7. **Full Cost Recovery**  
 A brief explanation with more detail in the appendices
8. **Legal and Compliance Matters**  
 Legal and regulatory obligations of the Council and matters that need to be considered by the voluntary and community sector.

Types of agreements / contracts

9. **Risk and Risk Management**

Wiltshire Council's requirements and application of risk management processes.

10. **Performance Management Framework**

- a) what the VCS needs to have in place to ensure it encompasses good practice.
- b) quality standards and the Wiltshire mark
- c) monitoring and evaluation
  - how contracts will be proportionally monitored
  - use of self assessments
  - ensuring soft outcomes (qualitative) and well as statistical outcomes (quantitative) are monitored.
  - using stories to demonstrate the difference a service has made to people in Wiltshire, showing inclusion, addressing disadvantage and ensuring equality of opportunities.
  - Evidence of good communication between the contractor and the provider

11. **HR Implications**

This will include TUPE – some basic information and where to get advice.

Pensions – some basic information and where to get advice

12. **Dispute Resolution – other than the Compact process ie procurement regulations**

The process used by the Council

13. **Appendices**

Including : - samples documentation

- More detail regarding processes discussed in the Framework
- Developing social Capital and its importance in meeting the Council's community governance strategy
- Self Assessment process
- Useful background papers

**Wiltshire Council**

**Overview & Scrutiny Organisation and Resources Select Committee**  
**00 month 2009**

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## **Progress report – Delivering Customer Focus programme**

### **Executive summary**

The Delivering Customer Focus programme has made good progress over the last six months.

- Cabinet approved the Delivering Customer Focus programme in January 2010.
- The Customer priority in the Corporate Plan (presented to Council on 18 May) fully reflects the ambitions outlined in the programme.
- The Customer priority includes clear performance and progress measures.
- Telephony opening hours were made uniform and extended to 08:30-17:30 Monday-Friday with effect from early December 2009.
- Customer research into channel and service preferences and attitudes to different technologies was completed in March 2010 and informed the design of the face to face channel.
- Face to face elements of service delivery will be home, business, or community-based for (essentially) all council services. This will result in best in class local delivery.
- Overall programme delivery is on schedule.
- Sustained service performance in Customer Services through adverse weather, changes to services, ICT work, and the election demand peak.

### **Proposal**

That the committee:

- a) Approves the progress report on the Delivering Customer Focus programme.

**Reason for proposal**

This progress report was requested by the Committee at its meeting in November 2009.

**Author:**

John Rogers, Head of Customer Access  
Contact details: 01225 756191; [john.rogers@wiltshire.gov.uk](mailto:john.rogers@wiltshire.gov.uk).

## **Progress report – Delivering Customer Focus programme**

### **Purpose of report**

1. The purpose of the report is to provide a progress report to the committee as requested by them in November 2009.
2. We are seeking the committee's endorsement of the progress to date.

### **Background**

3. Following our successful go-live as a new council on 1 April 2009 and the election of a new council, we have the necessary elements in place to move to transformation: to provide the high-quality, low cost, customer-focused services (ie designed around the customer) which the people of Wiltshire deserve and which we have promised: in our unitary bid, in our corporate plan, and in our Customer Access to Service Strategy, agreed in June 2008.
4. Our Customer Access to Service Strategy, which was signed off in June 2008, is in two phases. The first phase, to 1 April 2009, has been completed.
5. The second phase has been developed into a programme, Delivering Customer Focus, which is being delivered under the governance of the Customer Focus Board. This document reports on the progress of this programme since November 2009.
6. The programme covers four years: 2010-2014.
7. The programme covers and works within the major programmes in the council: Workplace Transformation and service redesign through Business Transformation, and shows how the goals and outcomes of Delivering Customer Focus will in part be achieved through them.
8. The programme covers the redevelopment of our customer channels: face to face, telephony, and web, and the services customers can access through each. It also addresses the use of paper for service delivery (forms, information and correspondence) through service redesign led by Business Transformation.
9. The programme also addresses aspects of the organisation which contribute to customer focus, in particular: use of customer insight and research, communication with our customers, measurement and continuous improvement, human resources, and culture.

## **Main considerations for the committee**

### **Corporate governance**

10. The Delivering Customer Focus programme was updated to reflect the comments made by Overview and Scrutiny in November 2009.
11. The programme was approved by Cabinet on 26 January 2010.
12. Cabinet requested that the report was clearer about the outcomes for customers and how we would monitor progress. Cabinet requested progress reports every six months.
13. Cabinet also requested that the programme addressed the language the council uses and our correspondence with customers.
14. The principal goals for the programme and resulting outcomes for customers have been distilled into the Customer priority of the Corporate Plan 2010-2014. Customer is the first priority in the Plan.
15. The Corporate Plan 2010-2014 has been approved by Cabinet and is being debated by full Council on 18 May 2010

### **Programme progress**

#### **Customer research**

16. During October 2009-March 2010 we undertook qualitative research into our customers' views on how and where face to face services should be delivered, on using various types of self-service technology, and on opening hours and the depth of service they expected.
17. Customers told us that they preferred services by appointment rather than "turn up and wait". They also said that they would like face to face service delivered in their homes or in a convenient location nearby.
18. Customers told us that they would be willing to use self-service technology provided they could be shown how to use it.
19. Customers told us that they expected a full service to be available whenever the phone lines were open, not a partial (eg message taking) service outside our "normal office hours".

#### **Face to face channel**

20. The Corporate Plan Customer priority includes a commitment to: "enable customers to access the council's top 20 services...through scheduled appointments in their own homes or business premises" (or nearby community location).

21. This change reflects the way that services which are currently delivered in council offices are being designed, as a result of the Lean systems interventions led by Business Transformation.
22. This way of delivering face to face service is better for customers, economic for the council, and has a reduced carbon footprint. It also fits with the hub office footprint which will result from the Workplace Transformation Programme (WTP).
23. These changes to face to face service delivery are an integral part of the Workplace Transformation programme, and have been presented to the WTP Board, the Staffing Policy Committee, and the Joint Consultative Committee.
24. The implications for customers are that service delivery will be by appointment. Appointments will typically be made by telephone and will be for a specific, date, time, location and officer. The appointment set-up will include telling the customer what information they need to have ready for their appointment.
25. Customers will also be able to make these appointments at 20 local locations, one in each community area. In some locations, this will be face to face across a counter, in other locations this will be via "virtual face to face" using a self-service kiosk, with support where appropriate.
26. This change to how face to face services will be delivered will be communicated to Area Boards during the next two months.
27. Staff have raised the question of their safety and Paul Collier is leading the development of a revised Lone Working Policy and toolkit to support this. His work includes the development of a database of individuals who pose a risk to officers.
28. Some services – for example Registration – do not lend themselves to this model of face to face delivery. These services will continue to be delivered in our premises.

### **Telephony channel**

29. Opening hours for the telephony channel have been extended slightly and made consistent in all locations from December 2009. Our main service lines are now open for calls from 8:30-5:30 Monday to Friday.
30. Customers making calls to our main numbers out of hours are now connected to a menu of options (press 1 for..., press 2 for...) and then a transfer to the out of hours service. This replaces a lengthy message with several different phone numbers, which the customer had to write down and then make a second call.
31. We continue to work with Wiltshire Police and Swindon Borough Council on a joint solution for handling our out of hours calls.
32. We have begun work to define and communicate voicemail standards. However, the right use of voicemail is largely dictated by the service being

provided. Work on this is continuing and is an integral part of the service redesigns in Business Transformations.

### **Organisation development and culture change**

33. During June-December 2009 all staff in Customer Services went through a basic induction in systems thinking. This instils a culture of right first time, once and done, measuring what matters to customers, and continuous improvement.
34. During February and March, Customer Services collected and analysed all the demand on our telephony channel as a baseline and to inform service improvement work, both within Customer Services and jointly with the main service.
35. Our value (useful to customers) contact comprised 56% and preventable (not useful to customers) contact was 44%.
36. The proportion of value and preventable demand is one of the key measures for service performance.
37. The programme team worked with the Performance team to develop a set of Customer Focus measures for the organisation. These will be used to report performance and progress on the Customer priority of the Corporate Plan.
38. The following measures are in use: call volumes, connection rates; proportion of value and preventable demand, volume of face to face transactions, volume of web hits and volume of emails.
39. For July 2009-March 2010 these are as follows:
  - Calls in = 790,643
  - Connection rate = 89.6%
  - Value demand:preventable demand = 56%:44%
  - Face to face visits = 111,504
  - Web hits = 7.343million
  - Email to Customer Services = 21,437.
40. These performance figures reflect the very hard work of the Customer Services teams, through the lengthy team member appointment process, adverse weather, council tax and school admissions peaks, changes to service delivery, changes to our telephony and ICT infrastructure, and a significant investment in the team's development and improvement.
41. We are working on a way to measure customer satisfaction with a service at the point of delivery to the customer (ie not a generalised satisfaction with the council overall). We hope to implement this in Q3 2010.
42. We have worked with Barry Pirie on including Customer Focus in our performance management and in our employee recognition for all employees in all services. His proposals have been reviewed and endorsed by the Customer Focus Board.
43. We have redeveloped the Customer module of the corporate induction online.



#### 44. Milestones from DCF Programme January 2010, as at May 2010.

Year	External: customers and communities	Internal: staff, information and infrastructure.
2009/10	<ul style="list-style-type: none"> <li>▶ Consistent opening hours Monday-Friday. (<i>Telephony achieved; face to face planned for June/July 2010</i>)</li> <li>▶ Short-term solution for 24 x 7 access to safety and enforcement services. (<i>Achieved</i>).</li> <li>▶ Model service communication for one service. (<i>No progress</i>)</li> <li>▶ Standards in place for voicemail, email, and letters/written responses. (<i>In progress</i>).</li> </ul>	<ul style="list-style-type: none"> <li>▶ Basic measures for telephony and for fulfilment (cross-organisation demand capture at first point of contact) (<i>Achieved</i>).</li> <li>▶ “Customer focus” implemented in our performance management: objectives, work plans, development, and recognition (<i>Part achieved</i>).</li> <li>▶ “Customer focus” embedded in induction (<i>Achieved</i>).</li> <li>▶ Developing and implementing standards for customer service across the organisation, including improving our skills in working with our customers (continues in 2010/11) (<i>In progress</i>).</li> <li>▶ Customer focus awareness/ influencing campaign (internal communications to staff and members) (<i>Minimal progress</i>).</li> </ul>
2010/11	<ul style="list-style-type: none"> <li>▶ First set of transformed/ redesigned services go live county-wide. (<i>Revenues, development control, and highways services</i>).</li> <li>▶ Golden numbers for transformed/ redesigned services. (<i>Next new golden number will be 0300 456 0102, for waste and recycling services; we ran a highly successful single county-wide elections service at the May 2010 General Election</i>).</li> <li>▶ New opening hours introduced for telephony and face to face. (<i>Included in Corporate Plan and subject to customer research</i>).</li> <li>▶ Joint 24 x 7 access to safety, enforcement, and treatment services. (<i>Working with Police and Swindon BC on a potential shared number</i>).</li> <li>▶ Web channel achieves retail business quality for key web transactions. (<i>Formalised within Corporate Plan – Customer</i></li> </ul>	<ul style="list-style-type: none"> <li>▶ “Work anywhere” telephony goes live. (<i>Workplace Transformation Programme [WTP]</i>)</li> <li>▶ Salisbury hub goes live. (<i>WTP</i>).</li> <li>▶ “Customer focus” embedded in leadership style and behaviours, through leadership development and role-modelling. (<i>People Strategy and Shaping the Future</i>).</li> <li>▶ Developing and implementing standards for customer service across the organisation, including improving our skills in working with our customers (continues from 2009/10).</li> <li>▶ Customer insight required for service planning and budgeting.</li> </ul>

	<p><i>priority</i>).</p> <ul style="list-style-type: none"> <li>▶ Community-based generic customer access: consistent and good quality service signposting available at libraries, town councils and visitor information centres. (<i>Integral to face to face channel design, as above.</i>)</li> <li>▶ Service communications all raised to model communications standard.</li> </ul>	
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### **Environmental impact of the proposal**

- 45. Delivering Customer Focus is expected to reduce the environmental impact of delivering service, by reducing wasted work, by reducing customer travel, and by improving service delivery on electronic channels.
- 46. There are no environmental legislative implications for Delivering Customer Focus.

### **Equality and diversity impact of the proposal**

- 47. Delivering Customer Focus supports and enables equality and diversity in our service design and delivery.
- 48. Delivering Customer Focus is the programme which we propose to use to deliver our Customer Access to Services Strategy (2008). The Equality Impact Assessment for the Customer Access Strategy stated that:

“There is a HIGH implication in the development and implementation of this strategy for the delivery and promotion of fair, non-discriminatory and equitable access to services.

### **Risk assessment**

- 49. The principal risk of not proceeding with the programme is a reduced likelihood of achieving customer focus in our services.
- 50. This will materially affect the quality of our services to customers and their satisfaction with the service and the council as a whole. In addition, we will have failed to deliver on a corporate priority and one of the three commitments in the unitary bid.

### **Financial implications**

- 51. Delivering Customer Focus programme is resourced to a level at which the current scope can be delivered to time, quality and cost.
- 52. Delivering Customer Focus programme supports the achievement of our savings and revenue goals in the MTFS.

53. This statement has been verified by a finance officer.

### **Legal implications**

54. Are there any legal implications which need to be taken into consideration, including any human rights implications?

55. Also consider if there are any ethical governance issues, ie how this will affect maintaining and improving the reputation of the council and local government generally and building trust and confidence in the council.

56. This statement has been verified by a legal officer.

### **Options considered**

57. Not applicable.

### **Conclusion**

58. The Delivering Customer Focus programme is making good progress and resulting in improved service to customers across the organisation.

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### **Background papers**

The following unpublished (internally presented) documents have been relied on in the preparation of this report:

- Customer research report to Customer focus Board (March 2010)
- Report to Customer Focus Board (March 2010) on transforming our face to face channel.

### **Appendices**

None.

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WILTSHIRE COUNCIL

OVERVIEW AND SCRUTINY MANAGEMENT AND RESOURCES SELECT  
COMMITTEE  
27 MAY 2010

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## **BUSINESS MANAGEMENT PROGRAMME (SAP) DEVELOPMENT PLAN**

### **Executive Summary**

To update Members on the work plan for continuing the business improvement that is necessary to ensure the organisation is using SAP in the most effective way, together with the latest service KPIs. A more detailed report will be brought to the Committee in the autumn on the SST developments including the HR and Procurement aspects of SAP.

### **Proposal**

That the Committee note the report and associated work plan.

### **Reason for Proposal**

The report updates the Committee on the planned work in the Shared Service Team (SST) and describes the KPIs to be used to measure improvement.

**Dr Carlton Brand**  
**Corporate Director, Resources**

## **BUSINESS MANAGEMENT PROGRAMME (SAP) DEVELOPMENT PLAN**

### **Purpose of Report**

1. At its January meeting the Committee received a report on the work plan for continuing the normal development and de-bug process that occurs after a major implementation, together with information on the business improvement that is necessary to ensure the organisation is using SAP in the most effective way, and extracting the maximum benefit from the system.
2. The purpose of this report is to update the Committee on the work plan and also to inform them of the latest KPIs for the service.

### **Latest update**

3. Since the last report the Shared Services Team has migrated the schools payroll and Councillor payroll from the old Cyborg system onto the SAP system. This went very successfully with everyone paid. This means that there are now 33,000 people being paid through the SAP payroll system including external clients and pensioners.
4. The work plan has been updated and demand capture has taken place which has enabled identification of the main reasons for delays in the payment of some invoices.
  - (i) Purchase orders raised on SAP are not receipted when the goods are received, so the invoice cannot be paid.
  - (ii) Invoices are being sent to the originating department and are then held up before being sent to SST for payment (NOTE: under the new system, all invoices should be received directly by SST).
  - (iii) Vendors do not always provide contact details of the purchaser on the invoice, so if there is a query, it can be very difficult to find out who placed the order.

The processes currently used within Shared Services are being reviewed and improvements identified and implemented to provide the organisation with a “leaner”, more efficient service.

### **System Performance Measures**

5. In order for us to ensure consistency of information provided on a monthly basis, it has been necessary to adjust the measures of data collected. Those listed in the table below will enable the tracking of the Council’s performance and will also provide information on how SAP is being used within departments for making payments to vendors. To enable the Council to realise the full benefits from SAP, it is important to compare the methods used to ensure that goods are being purchased and vendors paid in the most efficient and cost effective way.
  - (i) Time lapse between receipt of invoice to invoice entry onto SAP in Shared Services - for goods purchased by **raising a purchase order** to the supplier (i.e. via SRM) - this measures the time taken to process invoices

and will ensure compliance with vendor contract terms, assuming the invoice has been received within SST in sufficient time to meet the terms.

- (ii) Time lapse between receipt of invoice to invoice entry onto SAP in Shared Services for goods/services that require payment but which are **not purchased following the usual method of raising a purchase order** (i.e. outside of SRM) - this also measures the time taken to process invoices and will ensure compliance with vendor contract terms, assuming the invoice has been received within SST in sufficient time to meet the terms.
- (iii) Delivery date of goods against purchase order creation date - this data is subject to a wide variance as it is produced in two separate parts of the system and requires a large amount of manual manipulation, which can then be open to inaccuracy. This is therefore not considered to be a viable and sustainable measurement and will be excluded from future reports.
- (iv) Purchase order mis-match against invoice – this information was gathered manually as part of a lean data collection exercise carried out over 3 weeks during February and March. Analysis of the data has enabled us to establish where the problem areas are and to target the departments who have the most issues. Successful implementation of corrective measures will be reflected in (E). See below (1).
- (v) Number of direct payments (FB60s) processed against payments by invoice (MIROS) - to measure the number of payments made through matching invoices to purchase orders. Currently a large number of invoices are processed through direct payments which is not the most efficient method. The number of direct payments (FB60s) should decrease as departments use SAP more efficiently.
- (vi) % of items paid to vendor terms – the number of invoices paid within specific contract terms that differ from the Council's 28 day standard. *N.B. the receipt to payment figures in (i) and (ii) do not allow for the time delay in SST receiving the invoice from vendors/departments.*
- (vii) % of items paid within standard 28 day terms – the number of invoices paid within the Council standard of 28 days. *N.B. the receipt to payment figures in A and B do not allow for the time delay in SST receiving the invoice from vendors/departments.*
- (viii) % of items paid within 10 Day Government Target.

		<b>February</b>	<b>March</b>	<b>April</b>
(i)	Time lapse between receipt of invoice to invoice entry onto SAP in SST – with PO	5.6 days*	4.4 days*	7.1 days*
(ii)	Time lapse between receipt of invoice to invoice entry onto SAP in SST – without PO	N/A	N/A	3.4 days*

(iii)	Delivery date of goods against purchase order creation date	Report not viable measure – requires data from SRM	Report not viable measure – requires data from SRM	Report not viable measure – requires data from SRM
(iv)	Purchase order mis-match against invoice (1)	814	Not available from SAP. Requires manual recording exercise	Not available from SAP. Requires manual recording exercise
(v)	Number of direct payments (FB60s) processed against payments by invoice (MIROS)	37% (FB60)	37% (FB60)	45% (FB60)
(vi)	% of items paid to vendor terms (2)	N/A	N/A	37%
(vii)	% of items paid within standard 28 day terms (3)	N/A	N/A	39%
(viii)	% in 10 Days	N/A	N/A	16%

*\* CIPFA organisations 2009 average 7-10 days. Figures for February and March were not split between payments made against purchase orders and those made as direct payments, therefore figure appears to increase for (i) in April.*

*(1) Data not recorded in SAP, requires an extra manual exercise to complete therefore will not be done on a monthly basis.*

*(2) Invoices paid where vendor terms are less than 28 days.*

*(3) Invoices paid under standard Council terms of 28 days.*

*N.B. All figures exclude items paid by interfaces, these are direct key invoices only.*

## **Conclusion**

6 The Committee is asked to note the updated report and the work plan.

Dr Carlton Brand, Corporate Director, Resources

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Report Author: Jacqui White, Service Director Shared Services and Customer Services

Date of report: 18 May 2010



**Background Papers**

None

**Appendices**

Work Plan Shared Services Finance Team

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**Workplan Shared Services Finance  
Team 2010**

	<b>Work Stream</b>	<b>Timescale</b>	<b>Benefits</b>	<b>Progress made</b>
1	Improving business processes with all departments based on evidence gained from data collection.	Jan & early Feb 10 for data collection of invoice examples and issues & subsequent discussion roll out with departments April 09 onwards (note this programme of work will have a number of iterations through 2010 as we work through on a continuous improvement basis with departments reviewing contracts with suppliers and payment terms).	Improved understanding by departments of ways to pay through SAP to ensure most efficient method is used for type of transaction required. Opportunity for Shared Service Team (SST) to ensure it is meeting business need and result in efficient processing of invoices with suppliers paid within contract payment terms.	Data collection occurred from 15/2/10 to 5/3/10 in relation to invoices and capturing the problem areas. The main reason for non-matching of invoices across all departments is down to a lack of goods receipting. Two sessions have taken place with SST Accounts Payable staff in early May to further improve internal SST processes to make it easier for departments to interact with us. Sessions with departments will be rolled out during May and June to address the problem areas.
2	Training and awareness raising of goods receipting by business (building in review of this process at year end )	April 10 onwards	Enables faster turnaround of invoices; Saves 'chasing' time; Reduced risk of supply cut off; more accurate budgeting for managers.	See item 1 above CCU running Advanced Requisitioner courses from April onwards to improve knowledge and use of system.
3	Understanding complaints and ensuring we have a robust mechanism for collecting these across the team (i.e. informal and well as formal.	Ongoing	Understanding the root cause behind a complaint and the actions, changes and training that need to occur (both in SST and departments) to ensure that it doesn't happen again.	All complaints are collected and responded to. The SST Business Change Manager leads the investigation and works with the appropriate team leader to understand what has occurred and to ensure corrective procedures are put in place where appropriate.
4	Work to ensure that Accounting Statements can be prepared from SAP and opening balances loaded.	Meetings are being held with Logica week commencing 11 January 2010 which will agree the work plan to resolve these issues. May need interim solution followed by longer term solution.	Ensure we can meet legislative requirements of closedown process	Open balances now loaded in SAP. New reports created in SAP to facilitate closedown.
5	Development of reports in the back office (SAP) and portal (Web) to improve ease of use.	Meetings are being held with Logica week commencing 11 January 2010 which will agree the work plan to resolve these issues	Users able to run reports as required. Improve ease of use. Increase business reliance on SAP.	New reports produced and issued. Will be rolled out to relevant users during the new financial year.
6	Budget forecasting tool whilst in use still needs refinement	Meetings are being held with Logica week commencing 11 January 2010 which will agree the work plan to resolve these issues	Better reliability. Ease of use. More timely and cost effective reporting. Increase business reliance on SAP	Configuration changes made to improve quality of reports. Revised budget forecasting process to be implemented for 2010/2011
7	HR Costing issues need to be reviewed to ensure the correct coding of salary costs and explore solutions for salary costing reports	Meetings are being held with Logica week commencing 11 January 2010 which will agree the work plan to resolve these issues	Better information to managers on salary costings as this forms a large part of many budgets. Increase business reliance on SAP.	This work has now been completed and the costing reports are as accurate as the information received to date. Structures are constantly changing so it is important that SST works with departments when planning re-structures to ensure that structures and costings are kept up to date.
8	Capital set up issues meant this functionality is not being used to full potential	Meetings are being held with Logica week commencing 11 January 2010 which will agree the work plan to resolve these issues	Seamless transfer from project to assets. Better management reporting through year. Better agreement with closedown legislation. Possibility of rolling out to replace other bespoke systems.	SAP capital modules reviewed and changes made in configuration to allow information to flow through for closedown
9	Review blueprinted solutions for Adult Social Care Procurement and make recommendations for improvement	ongoing currently	Ensuring that the implemented solution is the most effective and efficient way of processing commitments and payments for social care.	Workshops undertaken to map 'as-is' processes, currently being written up. Workshops planned for June to map improved ways of working
10	Detailed work around reconciliations including bank reconciliation.	ongoing currently	Improved quality of data in SAP. Increase business reliance on SAP. Required to successfully implement legislation around closedown	New processes put in place to allow regular management review to be undertaken. Accounts reviewed and consolidated to allow more efficient reconciliation.
11	Year end processes (for example PO roll forward and rate changes) need to be agreed and implemented.	by end February 2010	Cleanse of system to ensure accruals and commitments at year-end and into the new year are appropriate.	All accruals manually entered into system for this year.
12	Review of e-forms for business to enable smoother processes for business and SST (continuous process of review linked to any learning from 1 above).	Rolling programme starting in January 10	Clean information captured once in a clear format for the business reducing input time for business and SST.	Currently being developed, some forms have been designed and changed,
13	Commence scoping work for scanning of invoices to understand the best method for Wiltshire Council.	Jan 10 project start	Increased speed of input and flow of information around the business where there are invoice queries. Invoices tagged for follow up and reduced 'lost' invoices leading to late payments to suppliers. Reduced need to re-key and online coding and authorisation.	Queries can be resolved more effectively and efficiently, increasing the ability to ensure payment within contract terms..
14	Introduce Civica payments for Accounts Receivable staff.	Jan 10 project start	Accounts Receivable staff able to take payments from callers.	At this stage it has been decided that the Accounts receivable staff will focus on the debt chasing and payments with be managed by the income and banking team or customer services as appropriate
15	Work with Central Procurement Team regarding the issue of Purchasing Cards (council credit cards).	May 10 onwards	Streamlining who has them and why.	A review of spend on Pcards has been undertaken by CPU. CPU to carry out analysis of card holders and who has them
16	Making better use of Accounts Payable uploads (ie electronically loading batches of invoices or payments into SAP rather than manual keying)	May 10 onwards	Reduces input times on FB60 for instance BT and Vodaphone bills.	Current Uploads continuing. This has to be taken on a case by case basis and will be covered during the end to end process reviews.
17	One bill i.e. supplier sends in one bill to organisation for all goods and services supplied which is then apportioned based on orders placed by departments.	June onwards	Reduced processing time and cost. Faster payment to supplier since less checking and chasing.	This has to be taken on a case by case basis and will be covered during the end to end process review carried out by CPU.
18	Close down for end of year.	Feb 09 through to mid April	Statutory requirement to complete all end of year work in team plus usual daily business.	Procures and timetable produced to allow closedown within statutory deadline. New reports written and further configuration undertaken.
19	Work with business to communicate end of year and close down requirements and offer support in understanding necessary actions for year end.	Feb & March 10	Departments will have received all goods, closed down any open purchase orders (or made a manual accrual) and resolved any outstanding queries open on 09/10 accounts.	Completed

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## WILTSHIRE COUNCIL

### OVERVIEW AND SCRUTINY MANAGEMENT AND RESOURCES COMMITTEE 27 MAY 2010

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#### PAY HARMONISATION - PROGRESS REPORT

##### Purpose

- 1.1 To report on the progress of developing and agreeing a new set of pay and terms and conditions to replace those which applied in the previous five councils in Wiltshire to staff who come under the remit of the National Joint Council for Local Government Services.

##### Background

- 2.1 In November 2009 Cabinet authorised the Service Director for HR/OD to negotiate a collective agreement with the unions on harmonised terms and conditions which assure Equal Pay across the new Council.

##### Progress

##### **Project Governance**

- 2.2 The planned project governance structure of an Executive Board and Steering Board is operating and additionally the Corporate Leadership Team (CLT) is actively engaged in determining the negotiating stance to be taken with the recognised unions on behalf of the Council. Cllr Ricky Rogers is representing Scrutiny on the Executive Board.

##### **Project Support**

- 2.3 An HR project team has been established to support pay harmonisation. The main activities of this team to date have included:
  - Developing computer based training for managers on pay harmonisation
  - Providing a managers' communications toolkit so that they can communicate the aims of the exercise to staff
  - checking that the records of staff who perform each distinct job are complete and correct – so that information used for modelling the impact on staff of various options for pay and other job related terms and conditions is robust
  - analysing the total spend within the current pay bill on the various terms and conditions eg total spend on unsocial hours allowances, in order to identify terms and conditions which might be “traded” to arrive at an overall acceptable harmonised package of terms and conditions
  - modelling the impact of possible options for the major terms, to assess likely impact on staff, and on costs

- considering the draft recommendations of the Business Travel strand of the Workplace Transformation project, and the implications these have for the harmonisation of terms and conditions
- through liaison with line managers, checking understanding of how some current payments - particularly those received by TUPED staff - work in practice and any related service issues eg Refuse and Leisure services.
- Consulting the Steering Board, Executive Board and CLT on options to be pursued, including presenting the likely impact.
- Undertaking market pay research in order that we can position the proposed pay line at the median for Local Government pay (as directed by Cabinet): Details of a wide range of local government jobs and their rates of pay are being collected. The job content for these jobs is being evaluated. This is enabling a Local Government market pay line to be plotted, which can then be used as a reference point for any pay lines we consider.
- Equal Pay Audit: A quick equal pay audit was conducted shortly after vesting day which revealed some potential vulnerability to Equal Pay claims. A fuller Equal Pay Audit with refreshed information is now being undertaken so that we can ensure that the new package of terms and conditions does address any vulnerabilities
- Preliminary negotiations with the recognised Unions (UNISON, GMB, UNITE)
- Planning the later stages of the project, including personal notifications to staff of the outcomes, implementation through payroll, calculation and payment of back pay due

### **Re-structuring of jobs and services**

- 2.4 A number of service restructurings across the Council are set to happen within the lifespan of the Pay Harmonisation project although full information on the new structures and jobs is not yet available. This poses a challenge for accurately modelling how different pay and grading structures will in practice impact on staff, and also means that a large proportion of the data collected to date will need to be refreshed and updated as we progress through the project towards implementation.

### **Negotiations**

- 2.5 Preliminary negotiations began as planned in late February. To date they have been contained to information sharing and discussions of principle, pending the CLT decision on a proposed package. The Pay Harmonisation project also awaits the recommendations of the Business Travel strand of the Workplace Transformation project (due in early June).

### **Project Scope**

- 2.6 A project risk which was identified in the report to Cabinet in November 2009 has just become a reality. Non teaching school staff were due to transfer from the National Joint Council for Local Government Services to a new national School Support Staff Negotiating Body (SSSNB) this month, and consequently were not included in the plans for a local agreement on pay harmonisation. However, the timescale for their move to SSSNB pay and conditions has been relaxed to 1 April 2012, and it is also judged that there is a heightened risk that the SSSNB will be disbanded by the new Government.

- 2.7 For the period until 1 April 2012 (or longer if the SSSNB is further delayed or disbanded), those school support staff who are employed at Community and Controlled schools (where the Council is the employer) will be able to compare their pay with the pay received by staff employed elsewhere across the Council, and vice versa.
- 2.8 As a result, school support staff must now come within the scope of pay harmonisation. The headcount of Council employed school support staff is estimated at around 5,000 (with many of these staff having more than one job).
- 2.9 Pay modelling work is urgently being expanded to include school support staff and the next set of information considered by the CLT on 7 June will include modelled impact on school employees and costs on school budgets.
- 2.10 Steps are being taken to brief Headteachers and the Schools Forum and to add school representation to the project Executive Board..
- 2.11 Work has begun on reviewing the project plan in order to accommodate the inclusion of school support staff, which amounts to a doubling in the number of staff affected although the number of terms and conditions to be reviewed does not change.

### **Conclusion**

- 2.12 The Committee is asked to note this report.

**Name and title of Director** Barry Pirie, Service Director, HR & OD

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**Report Author** Tricia Glover

**Name, title and contact details** HR Project Manager (Pay Harmonisation)  
[triciaglover@wiltshire.gov.uk](mailto:triciaglover@wiltshire.gov.uk); 01225 756550

**Date of report** May 2010

**Background Papers** None

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**Wiltshire Council**

**Overview & Scrutiny Organisation and Resources Select Committee**  
**27 May 2010**

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## **Task Group Update**

### **Partnerships**

The Partnerships Task Group met on April 28th with Mandy Bradley, Service Director with responsibility for Community Safety and Tim Mason the Community Safety Partnership's project manager. The purpose of the meeting was to provide the group with a general overview/introduction to the Community Safety Delivery Partnership which the Task Group had decided would be its first area for review. Some of the key issues discussed included:

- Partnership structure - the Task Group was introduced to the governance structure and requested a copy of the terms of reference for the Wiltshire Strategic Partnership Confidence Group. Laurie Bell who sits on this group was developing a communication strategy which it was hoped would lead to the 'Family of Partners' communicating with a single voice.
- Strategic assessment - the partnership annually undertook a strategic assessment, with a new report to be published in September. This document would outline the priorities for the partnership, which was anticipated to include such issues as alcohol abuse and anti-social behaviour.
- Area Boards - it was hoped that the Partnership would be given the opportunity to speak to individual Boards, with the ultimate aim of providing them with a tool kit to address community safety issues within their respective locality.
- Integrated working - in the future there could be a move towards more of a partnership resource via the 'total place' and 'unitary +' agenda. This could see the strands using a multi-agency approach with, for example, Probation, Police and Housing Services all working together in the same office. This approach had been used in Basingstoke, which was cited as an example of good practice.

The Task group at its next meeting will be inviting Diana Fulbrook – Chief Executive of the Wiltshire Probation Service to speak about her role as the Chairman of the Confidence Group and her experience of partnership working.

## **Budget & Performance**

Membership: Cllr Tony Deane (Chairman), Cllr Jeff Osborn, Cllr Mollie Groom, Cllr Rosemary Brown, Cllr Carole Soden, Cllr Jon Hubbard, Cllr Mike Hewitt, Cllr Pip Ridout.

At a meeting held on 30 March the Task Group received a Performance update on the First Year Plan and Local Agreement for Wiltshire for the period April 2009 to December 2009.

An update on the Medium Term Financial Plan 2011-2012 to 2014-15 was considered in addition to the revenue and capital budget monitoring reports.

Task Group members also considered a report on the SAP Health Check and raised a number of questions surrounding configuration and functionality issues and timescales for the Post Implementation Review.

The next meeting will take place on 20 May. In order for members of the Task Group to understand how budget data is validated and collated on a departmental level and then fed through to the corporate accountant and Cabinet each month, the Chairman has invited Chris Norris (Head of Finance Neighbourhood and Planning) to attend to provide an overview of this process.

Councillors will also approve a format for graphical presentation of budget monitoring for 2010-2011.

## **Major Contracts**

Membership: Cllr Richard Britton (Chairman), Cllr Ricky Rogers, Cllr Nigel Carter, Cllr Judy Rooke and Cllr Roy While.

The Task Group met on the 28 April to review the office accommodation and facilities management contract provided by Jarvis at Monkton Park Hub, Chippenham during the previous year. As a result of discussion, Councillors acknowledged the continued good performance of the contract and the relationship between the Council and Jarvis.

Subsequently, as Jarvis has recently announced that it has gone into administration, the impact of any change and the risks to the authority were discussed. Councillors were reassured of the ongoing work by Corporate Procurement in carrying out due diligence and monitoring the situation.

The Chairman of the Task Group expressed the view that as the Task Group is made up of only 5 members it can make effective scrutiny more difficult when apologies are received from more than one person. It was therefore agreed to make a request to the Select Committee that a sixth person be

added to the membership leading to more effective scrutiny when others are unable to attend.

**Proposal:**

**The Select Committee is asked to:**

- 1) Endorse the request for a sixth Councillor to be added to the membership of the Task Group.**
- 2) Endorse the existing membership to continue reviewing major contracts of significance to the authority.**

**Workplace Transformation Programme**

Membership: Cllr Philip Brown (Chairman), Cllr Nigel Carter, Cllr Charles Howard, Cllr Judy Rooke, Cllr Jonathon Seed, Cllr Jeff Osborn

The Task Group last met on 17 May. During the briefing councillors revisited the terms of reference following a concern raised at the previous meeting regarding the role of the Task Group.

Councillors felt it was important for the role of the Task Group not to be confused with that of an Executive working group and resolved to seek approval from the parent committee for the terms of reference to be amended to include the word 'scrutinise' rather than the words 'review' and 'support'.

During the meeting evidence was received from a number of contributors:

Iain Winterbottom (WTP Project Manger) provided an update on the Decant arrangements from Old County Hall, MECH and Browfort to the George Ward School. Neil Ward (Corporate Building Manager) provided feedback on a consultation exercise which had taken place at the last Melksham Area Board on co-locating services in the area.

Julie Anderson Hill (Strategic Development Manager) also provided an introduction to the HR Policies & Procedures Co-ordination Work Stream including the flexible working policies currently under review.

On 28 June the Task Group will undertake a site visit to Bourne Hill and properties within the Council's portfolio in the surrounding area. The focus of the meeting at Bourne Hill will be on the designation of properties for disposal in Salisbury, co-location of services in the South and an update on the current expenditure for Bourne Hill.

**Proposal:**

**The Select Committee is asked to:**

**1) Endorse the following revised terms of reference:**

**“To scrutinise the delivery of the Workplace Transformation Programme, ensuring it achieves the efficiencies and savings in the running cost of the Council’s offices whilst enabling business transformation to improve provision of services to customers”**

**S106 Agreements**

Membership: Cllr Philip Brown, Cllr Bill Douglas, Cllr Peter Fuller, Cllr George Jeans, Cllr Howard Marshall and Cllr Anthony Trotman (Chairman).

At the meeting held on 25 March 2010 the Committee agreed to establish a Task Group to consider the responsibilities and pressures of S106 agreements in the Unitary Council.

The first scoping meeting of the Group was held on Monday 10 May 2010. This meeting established that the Group would focus on the process relating to financial contributions whilst establishing an underlying understanding of the S106 process as a whole.

At the meeting a number of issues were discussed, including the Community Infrastructure Levy, which would effectively replace the majority of S106 responsibilities with the exception of affordable housing and open space.

The next two meetings of the task group have now been agreed and will take place on Tuesday 1 June and Monday 14 June 2010.

The S106 Officer responsible for the monitoring of agreements will also monitor agreements made within the Community Infrastructure Levy once in place and is scheduled to attend the next meeting of the Group.

**Member Support in the Locality**

Membership: Cllr Desna Allen, Cllr Richard Britton, Cllr Jeff Ody, Cllr Jonathon Seed, Cllr Bridget Wayman, Cllr Ian West and Cllr Fred Westmoreland.

The first meeting is scheduled for 2pm on 15 June 2010 County Hall at which members will undertake a scoping exercise to determine the work programme and future witnesses.

Further meeting dates are now being arranged to help secure full attendance.

**Overview & Scrutiny Organisation and Resources Select Committee**

**Rolling Work Plan from June 2010**

<b>SUBJECTS</b>	<b>COMMITTEE/ TASK GROUP</b>	<b>PROJECT START DATE</b>	<b>NEXT DATE TO O &amp; S COMMITTEE</b>	<b>SPECIFIC ISSUES FOR DISCUSSION</b>	<b>WHO REPORTS TO BE SUBMITTED TO</b>	<b>SUBMISSION DATE</b>
Budget and Performance (Standing)	Task Group	April 2009	Ongoing			
Major Contracts (Standing)	Task Group	July 2009	Ongoing			
Workplace Transformation Programme (inc. Business Transformation Programme)	Task Group	July 2009	Ongoing	Four year programme.		
Partnerships (Standing)	Task Group	March 2010	Ongoing			
S106 Agreements	Task Group	April 2010	Ongoing			
Member Support in the Locality	Task Group	April 2010	Ongoing			

SUBJECTS	COMMITTEE/ TASK GROUP	PROJECT START DATE	NEXT DATE TO O & S COMMITTEE	SPECIFIC ISSUES FOR DISCUSSION	WHO REPORTS TO BE SUBMITTED TO	SUBMISSION DATE
Departmental Delivery Plan/ Business Plan	Committee		July 2010	Following approval of the Corporate Plan to receive details of the departmental delivery plans and business plans when available.		
Framework Contract for the Provision of Agency Staff	Committee		July 2010	To receive a further update report noting that new arrangements should be in place by November 2010.		
People Strategy – Implementation Review (to include Leader Development)	Committee	From transition	July 2010			
Service Transformation (HR)	Committee	From Development Day	tbc			
Service Transformation (ICT)	Committee	From Development Day	tbc			

SUBJECTS	COMMITTEE/ TASK GROUP	PROJECT START DATE	NEXT DATE TO O & S COMMITTEE	SPECIFIC ISSUES FOR DISCUSSION	WHO REPORTS TO BE SUBMITTED TO	SUBMISSION DATE
Area Boards - Update	Task Group		March 2011	To receive an update following the review of Area Boards.		

DRAFT

**Cabinet Forward Work Plan**  
**June 2010 – September 2010**

**Items that may be of interest to the**  
**Organisation and Resources Select Committee**

<b>SUBJECTS</b>	<b>DATE TO CABINET</b>	<b>SPECIFIC ISSUES FOR DISCUSSION</b>	<b>RESPONSIBLE CABINET MEMBER</b>	<b>OFFICER CONTACT</b>
Budget Monitoring	22 June 2010 27 July 2010 14 September 2010	To receive a regular update on the capital and revenue budget.	Cllr Fleur de Rhe-Philipe	Martin Donovan
Annual Report on Treasuring Management 2009/10	22 June 2010	To provide an update on the Treasury Management outturn for the financial year 2009/10 and then forwarded on to Council.	Cllr Fleur de Rhe-Philipe	Keith Stephens
Strategy for Anti-Social Behaviour and Implementation Plan	22 June 2010	To seek endorsement of the Wiltshire Community Safety Partnership strategy for Anti-Social Behaviour.	Cllr Keith Humphries	Hilary Marsh
Update on Performance	22 June 2010 14 September 2010	To inform Cabinet about progress against the Council's priorities, including those in the Local Agreement for Wiltshire.	Cllr Fleur de Rhe-Philipe	Sharon Britton



<b>SUBJECTS</b>	<b>DATE TO CABINET</b>	<b>SPECIFIC ISSUES FOR DISCUSSION</b>	<b>RESPONSIBLE CABINET MEMBER</b>	<b>OFFICER CONTACT</b>
Development of the Transformation Programme	22 June 2010	To provide an update on the ICT Programme.	Cllr John Noeken	Deborah Farrow
Rate Relief	22 June 2010	To establish new policies and procedures for rate relief for Wiltshire Council.	Cllr Fleur de Rhe-Philipe	Alistair Cunningham
Street Naming and Numbering Policy	22 June 2010	To seek approval for an interim Street Naming and Numbering Policy for Wiltshire Council including agreeing fees; and to seek approval for a strategy to develop a permanent policy.	Cllr John Noeken	Deborah Farrow
Community Asset Transfer – Margaret Stancomb School	22 June 2010	To consider a proposal submitted by Wiltshire Rural Music School for the transfer of part of Margaret Stancomb School located at British Row, Trowbridge under the Community Asset Transfer policy.	Cllr Toby Sturgis	Rachel Efemey
Quarterly Progress Update – Workplace Transformation Programme	27 July 2010	Regular update on progress of Workplace Transformation Programme.	Cllr John Noeken	Mark Stone

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Total Place Initiative	27 July 2010	To present an update on progress of the pilot project.	Cllr Jane Scott OBE	Matti Raudsepp
Library Services Review	14 September 2010	Re-design and modernisation of Library Service, including £500,000 savings target achievement.	Cllr John Thomson	Niki Lewis
Business Plan	14 September 2010	To consider the Business Plan which will set out how the Council organises itself to deliver the priorities in the Corporate plan and its part of the Community Plan.		Sharon Britton
Delegation of Services to Town & Parish Councils	14 September 2010	To update Cabinet on progress made with regard to the Delegation of Services to Towns and Parishes.	Cllr Dick Tonge	Mark Smith