



# Northumberland

## County Council

CABINET

14 MARCH 2023

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### BEST: DELIVERY PARTNERS RESOURCES REPORT

**Report of Cabinet Member:** Cllr Glen Sanderson, Leader of the Council  
**Executive Director:** Jan Willis, Executive Director of Finance and Section 151 Officer

Key Decision: 13: Forward Plan 01/2/23-31/05/23

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#### **Purpose of report**

1. To provide Cabinet with an understanding of the resource requirements for BEST, formerly known as, the 'Strategic Change Programme'
2. To provide Cabinet with a recommendation for a key decision in relation to commencing an open procurement process to engage a delivery partner to support the design, delivery and implementation of projects included in the scope of the delivery of the Strategic Business Case (as agreed at Cabinet on 17th January 2023). This is a critical investment to maximise the realisation of benefits set out in the business case.

#### **Cabinet Recommendation**

To approve the commencement of the procurement process for the Council to secure a delivery partner to support the design, delivery, and implementation of the BEST ways of working. **Links to Corporate Plan**

This report is relevant to "Value for Money," "Enabling Growth" and "Tackling Inequalities" priorities included in the NCC Corporate Plan 2018-2021. BEST also supports the implementation and embedding of the Caller Programme Work Packages i.e., Corporate Plan, Enhanced Performance framework, Best Value Council, Data and BI Strategy and Council Values.

#### **Background**

The Strategic Change Business Case agreed by Cabinet on 17th January 2023 sets out a package of step changes that will make the Council more modern, efficient, and fit for purpose whilst delivering sustainable financial savings. This is not about cutting services,

but about transforming the way services are delivered and how the Council operates to achieve the best outcomes for our customers and residents. In summary, the key aims of the Business Case are:

- Improved Customer Experience
- Enhanced Experience for Staff
- Improved Efficiency and Effectiveness Following a Best Value Approach

The Business Case and subsequent delivery of projects within the programme supports the Council to deliver its three priorities of economic growth, addressing inequalities, and value for money.

Following Cabinet approval of the Business Case and a subsequent staff engagement activity to search for a new programme identity, Strategic Change Programme has been renamed as 'BEST.' This identity has been agreed by BEST Working Board.

### **Mobilisation and Resourcing**

BEST is a large-scale programme which requires significant Council staffing resources to deliver all thirty-nine projects. BEST has a dedicated Programme Team which will draw upon the support of Executive Sponsors and Workstream Leads. Staff from across the Council will be mobilised to support the design, delivery, and implementation of new ways of working by providing subject matter expert advisory and operational support for the delivery of task and finish activities.

In addition to this, there are a number of new roles that are needed to support the delivery of workstream projects, which will be advertised internally prior to seeking external candidates. These roles will be on a 'fixed term' contract, or they will be offered as secondment opportunities. The aim of this approach is to generate interest from existing council staff who may wish to develop their career by supporting the delivery of BEST workstream projects. This approach not only provides internal development opportunities, but also ensures that any staff who are currently seeking redeployment, promotion, or additional experiences, have an opportunity to apply.

There are, however, fourteen projects identified for delivery, which require highly specialist support and advisory from a Delivery Partner to maximise the achievement of the benefits set out in the Business case agreed by Cabinet on 17th January 2023. The attached report (Appendix 1) outlines the rationale for a request for a Delivery Partner to support the design, delivery, and implementation, on the basis that this is a critical investment to maximise the realisation of benefits.

Highly specialist support required from a Delivery Partner includes; social value benefits realisation, change management expertise, IT technical architecture, customer insight and

customer experience. Collectively, this highly specialist support enables the design, delivery, and implementation phases of project delivery.

Conducting an open procurement approach is considered to provide the optimum route to market. Alternative options include placing a direct award with a nominated provider or undertaking a further competition via a compliant public sector framework arrangement. It is considered that neither of these options provide value for money due to the restriction of suppliers. An Open Procurement Process invites expressions of interest from the market. As the anticipated contract value exceeds the current Public Contracts Regulations 2015 Services threshold (£177, 897 plus VAT), a contract notice will need to be published on the Government's Find a Tender Service portal. The procurement process will support the delivery of Social Value outcomes, ensure value for money, and provide an opportunity to agree a 'payment by results' mechanism to incentivise Partner's performance, encourage innovation and increase risk transfer.

A Procurement Working Group will be set up to manage the procurement process, which is expected to take several months to complete. Once completed, a further report will be presented to Cabinet with a recommendation of the preferred partner with supporting commercial documentation and to seek approval to award the contract.

### **Implications**

<b>Policy</b>	N/A
<b>Finance and value for money</b>	<p><b>Savings</b></p> <p>Collectively, the Business Case for BEST agreed by Cabinet on 17<sup>th</sup> January 2023 sets out the programme of change estimated to achieve Council wide savings of more than £20m (Low: £17.9m and High: £38.5m). Savings will be incrementally achieved over the next 3 years, as and when change projects are delivered. Resourcing the programme is a critical enabler to mobilisation and the key decision to Tender and Procure Delivery Partners is essential and a key decision to support the delivery of projects and to achieve the cashable benefits. Without the support of highly specialist advisors, many projects cannot be delivered, and the savings opportunities set out in the Business Case cannot be met.</p> <p><b>Investment</b></p> <ol style="list-style-type: none"> <li>1. Transformation Fund: The Council agreed to set aside £9 million in order to facilitate the transformation of its services. Money from the Transformation Fund will in the main, only be allocated to projects on an invest to save basis. There may be circumstances where a return on the investment is not required but this will be the exception rather than the norm. The Transformation Fund provides the invest to save funding for any costs relative to the Delivery Partner.</li> </ol>

	<p>2. It is proposed that a payment by results mechanism is incorporated within the contract which will be dependent on the results of the Partner and incentivise their performance to unlock efficiencies at the earliest opportunity.</p>
<p><b>Legal</b></p>	<p>The Local Government Act 1999 imposes a duty for Local Authorities to make arrangements for the achievement of best value in the performance of their functions.</p> <p>Best value for these purposes is described as securing continuous improvement in the exercise of all functions undertaken by the authority, whether statutory or not, having regard to a combination of economy, efficiency, and effectiveness.</p> <p>Within the design stages of workstream projects, regular assessment of any legal requirements / legal constraints will be identified, and advice taken where necessary. When needed, legal issues will be escalated to Programme Board and / Executive Team for strategic advisory and decision.</p> <p>The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council.</p>
<p><b>Procurement</b></p>	<p>The procurement of the Delivery Partner will be conducted in accordance with the Public Contracts Regulations 2015 and best practice methodologies.</p>
<p><b>Human Resources</b></p>	<p>Within the design stages of workstream projects, regular assessment of any HR/OD requirements or constraints will be identified and advice taken where necessary. When needed, HR/OD issues will be escalated to Programme Board and / Executive Team for strategic advisory and decision.</p>
<p><b>Property</b></p>	<p>Delivery Partner will be expected to work on site at County Hall and potentially other corporate buildings on a regular basis. It is likely that hot desking space will be required to accommodate Delivery Partner colleagues.</p>
<p><b>Equalities</b> (Impact Assessment attached)</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>	<p>N/A</p>

<p><b>Risk Assessment</b></p>	<p>Known Risks if Cabinet ‘Reject’ the tendering and procurement of a Delivery Partner:</p> <ol style="list-style-type: none"> <li>1. Improved Customer Experience – <b>Impact:</b> <i>Aims and objectives set out within the Business Case will not be met</i></li> <li>2. Enhanced Experience for Staff – <b>Impact:</b> <i>Aims and objectives set out within the Business Case cannot be met</i></li> <li>3. Improved Effectiveness and Efficiency, leading to Best Value – <b>Impact:</b> <i>Minimum Cashable Savings target set out in the Business Case cannot be met.</i></li> </ol> <p>Known Risks if Cabinet ‘Approve’ the engagement of a Delivery Partner:</p> <ol style="list-style-type: none"> <li>4. <b>Lack of knowledge of in-house procedures.</b> This can create work conflict, as the mode of operation may affect workflow for your regular employees. <b>Mitigation:</b> <i>Information share of Council process and procedures. Support and advisory from Programme Team and Council staff</i></li> <li>5. <b>Limited control</b>, where delivery partner is guided only by what is spelled out in the contract. <b>Mitigation:</b> <i>Partnership working with the Council Programme Executive Sponsor and Programme Director</i></li> <li>6. <b>Scope Creep resulting in delays to project delivery</b>, inability to generate anticipated benefits. Increased resource consumption. <b>Mitigation:</b> <i>BEST Working Board Governance. Workstream and Programme Highlight Reporting. Benefits management and tracking.</i></li> <li>7. <b>Data Breaches and breach of legislation.</b> <b>Mitigation:</b> <i>Programme DPIA, Council Data Protection Policy and Procedures. Information Governance Officer support and advisory.</i></li> </ol>
<p><b>Crime &amp; Disorder</b></p>	<p>N/A</p>
<p><b>Customer Consideration</b></p>	<p>Residents First is a primary objective of BEST and ‘Best Service to Customers’ is identified as a specific Workstream in the Business Case. Key improvement projects identified for delivery, will focus on improvements to customer access, customer contact and engagement. Implementation of the improvement projects set out in the Business Case are also anticipated to achieve a reduction in the volume of customer complaints.</p>

<b>Carbon reduction</b>	The Business Case sets out multiple projects for delivery within the Programme. Following the design phase of each project, an individual project Carbon Impact Assessment (CIA) will be completed based on design options set out in an Options Appraisal for consideration and decision by Programme Board. CIA's will be subject to consultation with the Council's Climate Change specialists within the Council and will be subject to frequent review and update based on the chosen option. Positive contributions to the Council's carbon reduction targets will be monitored and mitigation will be sought for any negative impacts identified as a result of changes.
<b>Health and Wellbeing</b>	BEST is intricately linked to work set out in the Inequalities Programme. The design options for each workstream project, will be viewed through the 'inequalities lens' to ensure cohesion of delivery priorities. Programme Leads from each programme, will maintain regular contact to ensure that dependencies across programmes are known and understood.
<b>Wards</b>	BEST is 'Council wide' therefore, all wards benefit equally from the change, improvements, and cost savings of BEST and the support provided by Delivery Partners

**Lead Members:**

- Lead Members, Cllr Glen Sanderson and Cllr Richard Wearmouth were consulted throughout Programme Phase 1 'Discovery' and the development of Strategic Change Business Case.
- Lead Members, Cllr Glen Sanderson and Cllr Richard Wearmouth have been consulted through BEST Working Board for the development of this report and the 'key decision' that is needed by Cabinet to proceed with the procurement of a Delivery Partner.

Appendix 1 -  
The Best: Delivery Partner Resources Outline .

**Linked report:**

- The Business Case was approved by Cabinet on 17<sup>th</sup> January 2023

**Report sign off.**

***Authors must ensure that officers and members have agreed the content of the report:***

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