

CABINET REPORT - BEST: DELIVERY PARTNERS RESOURCES

BEST: Delivery Partner Resources Outline

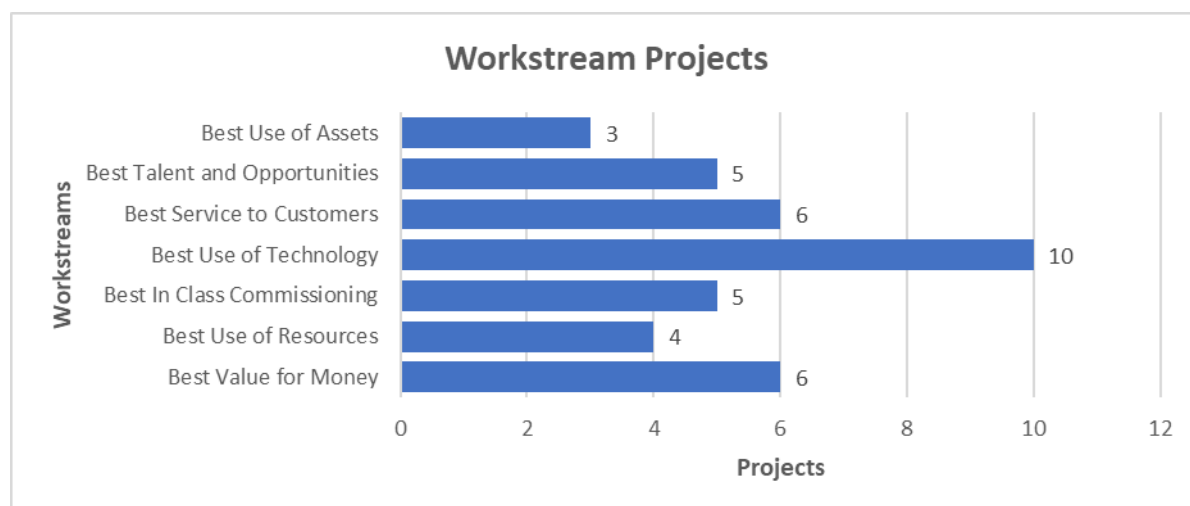
Background and Context

The Strategic Change Programme is now known as 'BEST' following a staff engagement exercise. BEST is currently being mobilised and resource planning is a key enabling activity which supports mobilisation.

The Business Case agreed by Cabinet on 17th January 2023, sets out a comprehensive programme of change projects that are expected to yield significant improvements to customer and staff experience as well as financial cashable savings. In summary, the key aims of BEST are:

1. Improved Customer Experience
2. Enhanced Experience for Staff
3. Improved Effectiveness and Efficiency, leading to Best Value

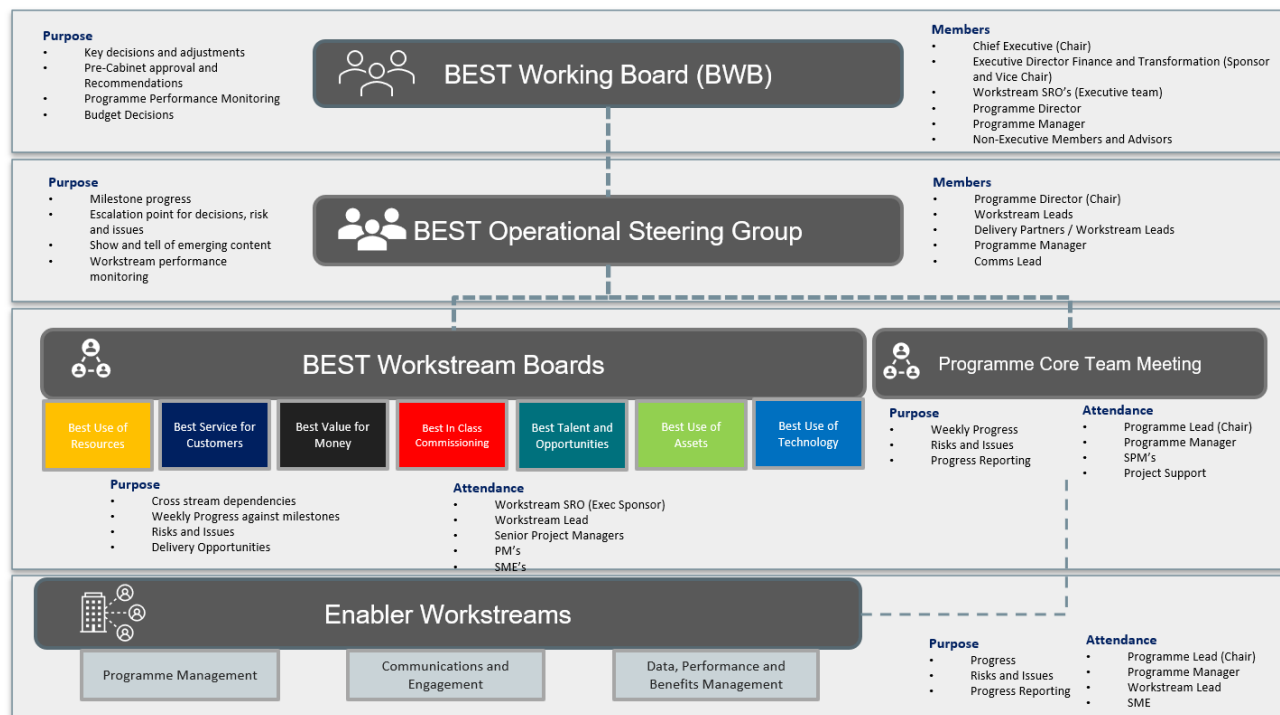
There are **seven** delivery Workstreams within the Programme and **thirty-nine** projects supporting the aims set out in the Business Case. The breakdown of projects by workstream is illustrated in the following graph:



Programme Governance

Following the completion of Strategic Change Phase 1 'Discovery' and the agreement by Cabinet for the Business Case on 17th January, in readiness for Phase 2 Delivery, a review of programme governance arrangements was completed. This review was viewed as necessary due to the Restructure of Tiers 1 and 2 of the Council structure as part of the Caller Programme.

The outcome of the review has resulted in the following Governance Structure, where BEST is governed by the BEST Working Board, consisting of the Chief Executive, Executive Team, Elected Member advisory and service specialist advisory roles:



Why does the Council need a Delivery Partner for BEST?

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. In addition to this, staff from across the Council will be mobilised to support the design and delivery of new ways of working and providing subject matter expert advisory and operational support for the delivery of task and finish activities.

There are, however, a number of projects identified for delivery as part of BEST, which require highly specialist advisory and support from Delivery Partner experts. This expertise is for the design, delivery, and implementation of projects where the expertise cannot be found within the current Council workforce.

Through collaboration with Workstream Leads and subject matter experts within the Council, the following table sets out the collated known expert advisory that is needed:

Workstream	Project	Delivery Partner Specialism Required
Programme Management	Programme Executive	Delivery Partner Programme Executive Sponsor
	Programme Lead	Delivery Partner Programme Lead
	Programme Manager	Delivery Partner Programme Manager

	Procurement Specialist	Delivery of new procurement requirements identified from the other transformation workstreams. Social Value Benefits specialism is also required
	Benefits Realisation	Benefits identification, benefits monitoring, identification of additional opportunities for consideration (further opportunities for improvement and savings that are not set out in the Business Case). Social Value Benefits specialism is also required.
Best Talent and Opportunity	Workforce Blueprint	Experience and knowledge of design and implementation of 'Job Families' in a large scale and complex organisation
Best Use of Resources	Corporate Business Support Function	Delivery partner to co-ordinate, analyse, test and challenge business support roles across the Council and consider options, and if appropriate develop proposal and business case for change
	Business Centres of Excellence	HR specialist to provide subject matter expertise on the options for restructure into Centres of Excellence
	Employee Services Transactions Hub	HR specialist to provide HR expertise across the workstream Change Manager to develop and implement change management strategies and plans that maximise employee adoption and usage of the change, including analysis and plans to anticipate and minimise resistant behaviours from staff impacted by the changes.
Best in Class Commissioning	Category Management	Review categories, provide training, develop category plans, support transition to new operating model.
	Commissioning Framework	External support required to design and implement new corporate approach to commissioning including framework and networked approach
	Networked model of Commissioning	
Best Value for Money	Communities First Model	Academic partner for Social Return on Investment aspect and development of qualitative data. Development of an evaluation framework
Best Service to Customers	Customer Target Access Model & Strategy	Customer Experience Specialist to provide customer experience subject matter expert to support with the development of a target access model and strategy.
	Customer Insight	
	Deliver Proactive Customer Services	
Best Service to Customers	Customer Insight	Amazon Connect / Power BI Integration Specialist - support to set up automated dashboards.
Best Use of Technology	Streamlined Technical Architecture	Specialist IT / Digital team to support with the technical knowledge and skills. E.g., Infrastructure Engineer, Technical Architect, Network Architect.
	Modern Work Tools: Service Desk Management Tool	Specialist IT delivery team to conduct a defined, time-bound Discovery across IT, Finance and HR. e.g., Delivery Manager, Product Owner, User Research, Service Designer

Engaging a Delivery Partner is viewed as a critical enabler to deliver multiple projects within the programme. Without the engagement of highly specialist advisory, it is unlikely that BEST and the opportunities set out in the Business Case agreed by Cabinet, can be achieved. The key decision by Cabinet to engage a Delivery Partner is therefore viewed as a critical decision for BEST mobilisation.

To provide a balanced view and to support the decision-making process by Cabinet, the following benefits and disadvantages are listed below:

Benefits:

- The Council receives the highly specialist support and advisory that it needs to deliver the programme
- Our current workforce will have an opportunity to learn from industry experts
- BEST opportunities and benefits are achievable, and opportunities are maximised
- New opportunities are identified
- We use experienced professionals who have worked in multiple councils and private sector organisations
- The procurement process will support the delivery of Social Value outcomes and ensure value for money
- Opportunity to agree 'payment by results' mechanism to incentivise Partner's performance, encourage innovation and increase risk transfer.

Disadvantages:

- Financial Investment is required to fully achieve the benefits set out in the Business Case
- Procurement will need to be underpinned by a robust specification, a clear and documented baseline, good understanding of any inter-dependencies and strong contract management to ensure benefits realisation, manage costs and any slippage/delays.
- Mandatory procurement timescales means that the earliest date of award circa. September 2023 (the [Procurement Process Timetable](#) below provides the details and timescales for each step for this process)

Funding

Investment in both Council staffing resource Delivery Partner resource is required to ensure that the programme can be delivered at pace and with appropriate focus in to generate improvements for our customers and staff and deliver cashable savings within the next 3 years (Low £17.5m High £40m).

Council and Delivery Partner resource will be funded from the £9m Transformation Fund over the next three financial years. The current financial commitment for the Transformation Fund is £2.6m leaving a balance of £6.4m.

Pricing Mechanism - for engagements of this nature, fees are usually charged based on one of the following models:

- Time and materials – Council is charged for actual time worked, based on pre-agreed day rates (covering staff costs, overheads, and profit etc).
- Fixed price - Council charged a set amount to deliver the contracted services, irrespective of actual time worked (based on estimated of length of work required and inclusion of some contingency).
- Payment by results - amount charged will vary depending on the outcome achieved (Council typically charged a portion of the fees based on time and materials, with remaining portion dependent on the achievement of key KPIs, outcomes and milestones).

The intention is that the Delivery Partner will be engaged on a payment by results basis as this is likely to deliver best value for money. The details of the underpinning commercial arrangements will be subject to negotiation with the preferred partner prior to contract award. Knowledge and skills transfer to Council staff from the Delivery Partner will be a key requirement.

Risks

1. **Lack of knowledge of in-house procedures.** This can create work conflict, as the mode of operation may affect workflow for your regular employees. **Mitigation:** Information share of Council process and procedures. Support and advisory from Programme Team and Council staff
2. **Limited control**, where delivery partner is guided only by what is spelled out in the contract.
3. **Scope Creep** resulting in delays to project delivery, inability to generate anticipated benefits. Increased resource consumption. **Mitigation:** BEST Working Board Governance. Workstream and Programme Highlight Reporting. Benefits management and tracking.
4. **Data Breaches** and breach of legislation. **Mitigation:** Programme DPIA, Council Data Protection Policy and Procedures. Information Governance Officer support and advisory.

Procurement Process

The most viable option for the Procurement of a Delivery Partner is through an ‘Open Procurement Process.’ An open 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 would need to be published on the Government’s Find a Tender Service portal. A provisional timeline is provided in the table below:

Activity	Lead	Target Completion Date
Pre-Procurement Stage		
Decision to commence procurement approved by Cabinet	Cabinet	14/03/2023

Project inception meeting	Working Group Led by Procurement	24/03/2023
Early market engagement	Procurement plus key stakeholders	21/04/2023
SQ/ITT Stage		
Completion of Procurement Documentation and FTS Notice	Working Group/Legal	12/05/2023
Publish Supplier Selection Questionnaire (SSQ)/Draft Invitation to Tender-30 days	Procurement	15/05/2023
Deadline for SSQ responses	Procurement	16/06/2023
Selection of shortlisted suppliers (minimum 5)	Working Group	30/06/2023
Publish final ITT (25 days)	Procurement	03/07/2023
Deadline for ITT responses	Procurement	25/07/2023
Evaluation Stage		
Completion of final tender evaluation (inc. presentations)	Working Group	25/08/2023
Recommendation to appoint (delegated decision)	BEST Working Board	September 2023
Contract Award Stage		
Standstill (10 days)	Procurement	September 2023
Contract execution	Procurement	September 2023
Contract commences	Procurement	September 2023

Due to the mandatory timescales, the contract would be awarded circa September 2023 (based on a two-stage process with shortlisting)

Benefits	Disadvantages
<ul style="list-style-type: none"> No restriction on the number of suppliers involved Can incorporate a market engagement stage Award criteria is not pre-determined Enables the phase 1 providers to participate Ensures best value is obtained based on the most economically advantageous tender. Payment by results pricing option can be included 	<ul style="list-style-type: none"> Potentially substantial number of bidders May attract interest from suppliers with unsuitable experience or track record, so prequalification would be necessary. Longer procurement process due to mandatory timescales

Recommendations

1. Cabinet is recommended to give approval to commence the procurement process for a Delivery Partner to support the design, delivery, and implementation of the BEST programme, on the basis that this is a critical investment to maximise the realisation of benefits set out in the Business case agreed by Cabinet on 17th January 2023.

Next Steps

On the basis that Cabinet approve the key decision to proceed with the procurement of a Delivery Partner, the following next steps are:

1. **Set up of a Procurement Working Group** – The Group will be led by the Head of Procurement and will consist of senior officers who have subject matter expertise and sufficient capacity to participate.
2. **Open Procurement Process** – Commencement of the open procurement process.
3. **Scope of Works (SOW)** –drafting of the Scope of Works Document.
4. **Early Market Engagement Event (EME)** – Planning for an Early Market Engagement Event to gauge market interest and to support the development of the SOW.
5. **Monitoring of Progress** – BEST Working Board (i.e., Programme Board) will monitor progress of the procurement process and will provide strategic decision making advisory when needed.