

Report of	Meeting	Date
Director of Change and Delivery (Introduced by Executive Member (Resources))	Executive Cabinet	Thursday, 14 July 2022

Key Contracts and Partnerships Update

Is this report confidential?	Partly Appendix A (included in part 2 of this agenda) is exempt by virtue of paragraph 3, information relating to the financial or business affairs of any particular person.
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Is this decision key?	No
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Purpose of the Report

1. To provide an update on the performance of the council's key partnership arrangements.

Recommendations to Executive Cabinet

2. That the report be noted.

Reasons for recommendations

3. To ensure effective monitoring of the council's key contracts and partnerships.

Other options considered and rejected

4. No other options have been considered as this report is only for information.

Executive summary

5. The key partnerships performance report is produced in accordance with the requirements of the council's key contracts and partnerships framework. It informs members of:
 - i. The performance of the council's key partnerships against targets set for the current year;
 - ii. Any emerging issues
 - iii. An assessment of the key partner's financial strength and stability.
6. Overall, the performance of all key partnerships is strong, and the financial assessment of the partnerships are positive with the financial standing of all key partnerships monitored in Appendix A. There have been several successes across the key

partnerships over the last 12 months including moving to a shared payroll and expenses provider, procuring a shared contract for Capita and implementing a Select Move Co-ordinator.

Corporate priorities

7. The report relates to the following corporate priorities:

Involving residents in improving their local area and equality of access for all	A strong local economy
Clean, safe and healthy communities	An ambitious council that does more to meet the needs of residents and the local area

Background to the report

8. Key partnerships are those partnerships that are especially significant due to their financial value, scale of resources involved, the length of contract term or whether they deliver a core service.
9. To ensure that they are closely monitored, the Council's framework for partnership working sets out a range of controls and measures. These safeguard the success of partnerships and ensure that they achieve the Council's priorities and goals outlined in the Corporate Strategy including the digital strategy, shared services and the green agenda.
10. Where key partnerships do not already have arrangements in place to report to Executive Cabinet, Transformation and Partnerships will work with relevant services to produce regular performance reports on key partnerships.
11. The previous update to Executive Cabinet on Key Partnerships was in January 2022. This annual update now aligns reporting of contracts that are shared between Chorley Council and South Ribble Council under the shared service arrangements to be reported annually as per the framework.

Key Partnerships' Performance

12. This section provides a summary of the performance of each of the key partnerships. A summarised update in table form can be found in Appendix A, which also details monitoring arrangements and financial standing.

FCC

13. FCC Environment provide the waste and recycling collection service for the Chorley borough. Previous objectives for the contract included devising and implementing a new waste & recycling strategy, continuing to review waste service provision, and to achieve the missed bins performance target of 30 per 100,000.
14. The development of the Waste & Recycling strategy and the review of service provision are ongoing and will ensure the service complies with new legislation in relation to the Environment Act 2021.

15. The service has yet to achieve the missed bins performance target of 30 per 100,000 although FCC Environment are still subject to this target as per their contract and general performance remains strong overall.
16. Future uncertainties include HGV driver shortages, due to difficulty with recruitment and retention within the sector, and the impact of the changes to the insourced South Ribble Waste Service which operates out of the same depot. Performance measures remain part of the contract with FCC, with financial penalties if the targets are not reached.
17. Objectives for 2022/23 are to deliver the Waste & Recycling strategy within the financial year, and to continue reviewing the waste service provision, aligning and improving services where appropriate.

Duxbury Golf Course

18. Parkwood Leisure Ltd. manage the Duxbury Park Golf Course which is owned by Chorley Council. Previous objectives for the contract included monitoring operational performance following organisational changes, embedding partnership meetings between the Council and Parkwood Leisure Ltd. and to work with partners to further the delivery of the second phase of the Driving Range.
19. Since the January 2022 update, there have been no reported issues around operational performance, and the changes have provided opportunities for improved partnership working. In addition, the second phase of the Driving Range has been delivered which enables a fully functioning driving range for the borough. Some adjustments were made to the scope of the project to accommodate for rising material costs. The Driving Range, as well as the Adventure Play Area, will provide increased leisure options for the local area.
20. The financial risk of the contract was re-evaluated whilst making changes to the lease to enable the payment of grant funding and was found to be low risk.
21. Objectives for 2022/23 are to continue embedding the partnership work with regular meetings, and to maintain the strong existing relations between the Council and Parkwood Leisure Ltd. This will allow for improved communication, and early identification of any further opportunities for collaboration.

Blackpool Council

22. Blackpool Council provides the payroll and expenses service for all employees and elected members. Previous objectives for the contract were to launch a shared payroll system across Chorley Council and South Ribble Borough Council, commence a phased implementation of a shared time management system across the councils and leisure company, and continuing to monitor and test for any errors.
23. The shared payroll system went live in April 2022 as planned. This will allow for more consistent ways of working, with one system across the two councils and leisure companies. It also offers administrative efficiencies for the HR and Finance teams. The phased introduction of a shared time management system (HFX) is ongoing.
24. Objectives for 2022/23 are to continue the phased implementation of HFX (shared time management system) across the councils and leisure company and to continue monitoring the new changes and test for any errors.

Civica

25. Civica provides the core financial systems and maintenance for both Chorley and South Ribble Councils.
26. Previous objectives for the contract included rolling out the web-client, reorganising the system to align the structure with Shared Services, and an audit of accounts payable (ensuring GDPR compliance and avoiding duplicated invoices).
27. The audit of Accounts Payable and amendments to the system structure have been completed. The contract with Civica has historically been a rolling annual contract from April to March. This does not provide long-term security in terms of costs. Therefore, the Finance team is looking to procure a longer-term contract, with the aim of procuring a cloud-based system.
28. Any risks identified with the new supplier would be mitigated through the tender process to ensure the supplier is compliant with Council needs.
29. Objectives for 2022/23 will be to go out for tender for a new financial system, with the aim of procuring a cloud-based system which can be accessed through the internet and by mobile devices. This will provide improved digital security and business continuity, and also offer opportunities to streamline and automate current processes.

Select Move

30. Select Move provides a choice-based lettings allocation scheme, operating across Chorley, South Ribble and Preston. Part of this partnership is commissioning Civica as the software provider for the housing register and homeless database.
31. The previous objective for Select Move partnership was to deliver the recommendations of the Scrutiny Committee. A Scrutiny Committee Select Move Task Group was created to develop recommendations for the next year with a draft report due in September which will summarise the committee's recommendations. Themes mentioned thus far include queries around bandings, eligibility criteria, and photos for properties on the Select Move website.
32. Revising the allocations policy is ongoing and will consider the banding and eligibility criteria, with the consultant who is supporting the development of the policy scheduled to attend the Task Group in July. Themes discussed so far by the task group will be addressed by policy changes, and the adoption of the policy will be for decision by Executive Cabinet after scrutiny's final report of recommendations.
33. The front-facing system is no longer optimised due to Internet Explorer not being supported. The current system is still functional, with partners and the public still using the website via Microsoft Edge. A new system will be implemented by the end of the calendar year.
34. An ongoing issue the partnership is experiencing is insufficient housing numbers to meet demand. The choice to move to a tiered financial system has helped to encourage smaller social landlords to join the partnership, but waiting lists remain long. There is ongoing activity to encourage landlords to join, such as the lower rates for public sector landlords with smaller property numbers.
35. Objectives for 2022/23 are to implement the front-facing system changes, to agree and update the allocations policy, and to review Chorley Scrutiny Committee's recommendations and consider implementation.

IDOX

36. IDOX provides the software for planning, land charges, environment, and licensing software (regulatory services).
37. Previous objectives for the contract were to continue the integration into the new DMS (Document Management System) system and align modules across Chorley Council and South Ribble Borough Council, where appropriate.
38. A 12-month contract has been procured to align to South Ribble as part of the single operating model, with the aim of procuring a shared contract after this period.
39. The new DMS system is now in place, but the previous objective of aligning modules will commence once the shared contract is in place. The shared contract will align modules and drive service efficiencies.
40. Objectives for 2022/23 are to procure a shared contract for the two councils and to align modules and processes once the shared contract is procured.

NEC

41. There are two contracts with NEC, previously called Northgate, included within the key contracts and partnerships framework:
 - i. Provision of Electric Document Management System (EDMS) software, which is a desktop software package and
 - ii. Provision of Docs Online, a contract for remote scanning of correspondence and information.

EDMS (Electric Document Management System)

42. NEC provide the EDMS software, which is a desktop software package.
43. The previous objective for the EDMS was to procure a shared contract with South Ribble Borough Council, which has been completed with a five-year shared contract now in place.
44. The new contract will provide key benefits, such as improved resilience due to the contract being cloud-based. Benefits include continued access in the case of an outage with Council systems, and reduced maintenance on premises hardware. The data held within the system is categorised by authority in case it needs to be separated.
45. Objectives for 2022/23 are to migrate to the new cloud system.

Docs Online

46. Docs Online provides the DOL Managed Service (docs online). There is a twelve-month contract in place currently.
47. The previous objectives were to continue the back-scanning work for property services which has now been completed. While back-scanning works are ongoing, these are

done outside the set contract, with the contract in place to scan correspondence for the Revenues and Benefits function. This provides increased security and capacity compared to storing copies of correspondence for manual indexing by staff.

48. Objectives for 2022/23 are to continue using the service to help reduce reliance on paper and maintain digital security.

Capita

49. Capita provides the Revenues and Benefits Software and a Remote Support Service.
50. Previous objectives were to align software modules across Chorley and South Ribble where appropriate, to implement and monitor the move across to the cloud- based system, and to continue to enhance modules for Council Tax Automation (including change of address automation.)
51. The contract is scheduled to move across to a new cloud-based system in August 2022 and will then be monitored for issues after implementation. Key benefits of this include increased automation through the implementation of new modules, aligning ways of working for the shared environment, and improved resilience through a cloud-based system.
52. The alignment of software modules is ongoing, with new modules implemented at South Ribble. Further modules are due for testing over Q2 for Benefits and Council Tax automation for both councils, which will enable further efficiencies to be realised.
53. The objectives for 2022/23 are to move across to the cloud system in August 2022, to monitor the online experience once implemented, and to continue to align modules where appropriate.

Shared Services

54. Shared services is the partnership between Chorley Council and South Ribble Borough Council, two sovereign councils working together with shared functions to deliver excellent and efficient council services.
55. Objectives set out in the initial position statement included embedding the Phase 2 Services (ICT and Customer Services & Revenues and Benefits), and to work with Members to identify future opportunities for shared services.
56. Councils agreed the approach for the future development for shared services in February 2022. These included agreeing additional capacity for the Senior Management Team through two director level posts. The two senior posts have both been successfully appointed, with both successful candidates in post. In addition, there was an agreement to move forward further shared services, taking a measured approach, alongside a whole organisation review of management capacity.
57. ICT was implemented as a shared service in November 2021 and Customer Services on 1st March 2022. There have been initial issues with capacity which have impacted on embedding the shared operation model for these services due to vacancies within the teams. Recruitment to vacant posts is ongoing across Customer Services and ICT, with posts expected to be filled and starting in post over the summer, and an induction and development programme is being delivered to further embed these services.

58. Proposals for Phase 3 of shared services have been drafted and are due to be presented to the Shared Services Joint Committee on the 27 June prior to Council in July. Proposals for the management capacity review will be presented to both councils.
59. Objectives for 2022/23 are to continue exploring opportunities for sharing in line with agreed plans for phase three of shared services, and to continue to embed phase two services.

Local Plan

60. The Local Plan partnership between Chorley Council, South Ribble Borough Council and Preston City Council aims to develop and deliver the Local Plan for 2023. Key objectives set out in the position statement included completing the evidence base for the development of the Local Plan for 2023.
61. The evidence base has now been completed, which has provided a stronger understanding of the boroughs' needs. The next stage will be to draft the preferred options for the Local Plan for 2023, which will include proposed new policies and policy direction. To move forward, all three authority leaders have collaborated to discuss the current housing needs within their own areas to develop an agreed set of housing needs across the footprint.
62. Objectives for 2022/23 are to release the draft preferred options document for public consultation by the end of the financial year, and to analyse the impacts of the recent Levelling Up and Regeneration Bill on the Local Plan.

Chorley Leisure

63. Chorley Leisure Ltd. is a wholly owned leisure company that provides leisure facilities to residents while ensuring value for money. Objectives outlined in the position statement included supporting the creation of business plans and an investment strategy, ensuring financial reporting and indicator reporting are completed, and monitoring of key performance indicators.
64. The business plan has been prepared and presented to the Board of Directors alongside an investment strategy. Key performance indicators have been established with the Performance system. These will help to monitor performance, and quantify benefits secured. Currently financial monitoring is available for the leisure company as a whole, and so the next steps are to enable more specific financial analysis into each leisure centre's performance.
65. The company owned solely by Chorley Council. Its current financial position is stable.
66. Objectives for 2022/23 are to review the investments into the Leisure Centres' infrastructure, and to develop the financial monitoring to ensure monitoring of each Leisure Centre's performance is possible.

Civica Pay

67. Civica Pay has been identified as a new inclusion to the Key Contracts and Partnerships framework as it provides the software which is used for processing all incoming payments to the both Chorley Council and South Ribble Borough Councils. The software has been used for many years and has been identified for inclusion following the procurement of a 3-year shared contract.
68. Key benefits of the new solution are:

- PCI DSS compliance (relates to legal requirements for processing credit card information)
- Supports the changes to Mastercard
- Fully cloud hosted
- WCAG 2.1 compliant. WCAG (Web Content Accessibility Guidelines) is the accessibility guidance, which sets out how information should be displayed on webpages so that individuals with disabilities can read and access the pages.

69. Key objectives for the next 12 months will be to move to the new cloud-based system.

Climate change and air quality

70. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

Equality and Diversity

71. The work noted in this report does not pose any equality and diversity implications.

Risk

72. Key risks and issues related to each Contract or Partnership are outlined within the narrative of the report. The Key Contract and Partnerships Framework provides a mechanism for mitigating the risk of service delivery through the council's strategic partnerships by ensuing regular monitoring and management.

Comments of the Statutory Finance Officer

73. There are no direct financial implications arising from this report. Routine budget monitoring includes the monitoring of contract costs and these are reported as part of the overall corporate financial position.

Comments of the Monitoring Officer

74. As this is a monitoring report there are no legal implications which require addressing.

Appendices

Appendix A – Summary of update

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