

MAIDSTONE BOROUGH COUNCIL
RECORD OF DECISION OF THE CABINET

Decision Made: 12 June 2013

MKIP - PLANNING SUPPORT SHARED SERVICE

Issue for Decision

To consider the business case and proposals for forming a planning support shared service and seeks approval from Cabinet to enter into a shared planning support service with Tunbridge Wells and Swale Borough Councils.

Decision Made

1. That Maidstone, Swale and Tunbridge Wells Borough Councils enter into a planning support shared service with the identified planning support functions (as set out at Appendix 2 of Appendix A to the report of the Director of Change, Planning and the Environment).
2. That the single site model identified in the business case be used for the shared service (as set out at Appendix 6B - Model 2 of Appendix A of the report of the Director of Change, Planning and the Environment)
3. That Maidstone be chosen as the location for the service as a result of the location criteria assessment (as set out at Appendix 5 of Appendix A of the report of the Director of Change, Planning and the Environment) and that delegated authority be given to Chief Executives to consider whether and how TUPE should apply to this particular service.
4. That a Shared Planning Support Manager be appointed to manage the shared service and to lead on the implementation and delivery of the service as part of the MKIP Planning Support Shared Service project team (as set out at Appendix 3 of Appendix A of the report of the Director of Change, Planning and the Environment)
5. That the principle of a single team structure be agreed and the Chief Executives be given delegated authority to finalise the structure, including consideration of a technical officer at each site within cost limits set out at Appendix 4 of Appendix A of the report of the Director of Change, Planning and the Environment, for union and staff consultation.
6. That the initial savings split for the shared service be on an investment basis, as set out in Appendix 4 of Appendix A of the report of the Director of Change, Planning and the Environment,

with the costs of service moving toward a volume based costing model as further savings are identified and the volumes of work through the new team can be accurately measured.

7. That Section 151 Officers appoint lead accountants from each authority to form a finance group to support the project board and team in developing the setup of the budgets for the Shared Planning Support Service.
8. That the treatment of the predicted efficiencies in planning officer time for Maidstone and Swale, estimated at £27k-£32k, from transferring validation to the support team be noted as being outside of the scope of this project and for each authority to determine.

Reasons for Decision

Background

Planning support was identified as a possible shared service in June 2011 by the MKIP Board (Leaders and Chief Executives of Maidstone, Swale and Tunbridge Wells Borough Councils and a Cabinet Member and Director from Kent County Council) following an away day with Leaders, Cabinet Members and senior officers of the MKIP authorities.

Work commenced on taking planning support forwards in March 2012 with the MKIP programme being agreed by the MKIP Board in June 2012. A Gateway model for taking forward shared service proposals was agreed by the MKIP Board and has been applied to producing the business case for planning support.

Business Case and Follow-Up Actions

In September 2012 a scoping document for planning support was agreed by the MKIP Board and in December 2012 a high level business case (attached at Appendix 6 to Appendix A of the report of the Director of Change, Planning and the Environment) was approved to go forwards to each authority's respective Cabinet subject to the following actions:

1. Further feasibility testing of the preferred model of a one site location for the shared service.
2. Agreeing the savings split for the service by authority
3. Agree performance levels for the change period

Following production of the report for Cabinet in March 2013 further analysis identified that it would be beneficial to this project to determine location prior to business case approval. An assessment of location criteria has been carried out and scored (attached at Appendix 5 to Appendix A of the report of the Director of Change, Planning and the Environment).

Please note the business case attached at Appendix 6 is the business case approved by the MKIP Board in December 2012 with the implementation

plan updated as at May 2013. Appendix 4 to Appendix A of the report of the Director of Change, Planning and the Environment – financial Appendix – supersedes the finances within the business case at Appendix 6 to Appendix A of the report of the Director of Change, Planning and the Environment.

Shared Service Vision

Following on from the MKIP Board identifying the priority order of objectives for the Planning Support Shared Service the following critical success factors for the shared service were produced:

1. Efficiencies – Delivery of significant savings through economies of scale, sharing systems, processes and carrying out common work once.
2. Quality – Provision of reliable, accurate and flexible support to the Mid-Kent planning teams in order to enable them to meet their targets.
3. Resilience - Robust cover and sharing of specialisms to reduce the impact of absences and spikes in workload on service quality and provide opportunities for staff to learn and develop.
4. Culture - Creation of a service where the culture is pro-active in serving the Mid-Kent public as a whole and for the benefit of all Mid-Kent planning authorities.

The business case and preferred model for the service have been produced on the basis of maximising the shared service's delivery against those factors. The ambitious vision is of a high performing planning support service that delivers high quality, accurate and timely support to customers including planning departments and external customers with a culture of ownership of overall planning targets, as well as the service's own targets, whilst reducing overall costs to partners.

To do this the planning support staff will be supported in delivering a skilled technical administration and support function able to provide technical functions such as validation with accuracy and provide customer departments with confidence. Providing opportunities to staff within the shared service is crucial to the ethos of providing a high quality planning support service and as such the culture will be one of accountability, ownership and delivery with opportunities for staff to increase knowledge of a wide variety of planning support functions, understanding of the overall planning processes and providing the training and support required to improve the skills of staff, particularly in more technical areas. All of this will need to be underpinned by fit for purpose ICT systems and efficient processes.

Entering into a shared service is an opportunity for investment and review of existing equipment, processes and policies and a significant ambition of entering the shared service is to use this opportunity to reduce inefficiencies and redundant processes, improve equipment and share best practice. This will be expected to deliver additional efficiencies over time.

This will take a lot of work but once delivered will provide a platform for high quality planning performance at the partner authorities. A

successful, efficient planning support service also provides the opportunity to look at delivering against other wider MKIP objectives to trade and sell services with the possibility of future expansion, in the medium to long term (3-5 years), to other planning authorities once the shared service is established.

In order to produce a successful shared service and to ensure delivery from the investment made by MKIP authorities performance management will be integral to service delivery. Embedding that approach and culture into the team is a crucial part of forming the shared service and robust service level agreements will underpin the service. Performance reporting will be done individually to each authority, sharing performance indicators where suitable but allowing for bespoke local indicators as required. Benchmarking versus pre-shared service performance will be undertaken to ensure that service levels are maintained or improved for each authority and their customers.

Planning ICT System

A procurement process is underway to procure an Environmental Health and Planning System across Maidstone, Swale and Tunbridge Wells Borough Councils. This is in accordance with the aims of the ICT partnership business plan and forms a crucial aspect of delivering a shared planning support service. The planning support shared service business case is built on the assumption that a suitable fit for purpose system will be delivered. The project to do this is being run to its own timetable but provides critical dates for the shared service delivery and as such close links with the ICT project will need to be maintained. It is therefore proposed that a Senior Supplier role (ICT) be included on the project board for the shared service and a supplier role (ICT) to the project team in order to provide assurance of delivery.

Shared services are an expanding market nationally and ICT suppliers have responded to this by providing products that specifically meet shared service needs, such as a means of accessing three separate databases from a single instance of a programme (this is demonstrated through the MKIP Revenues and Benefits shared service and joint system with Swale Borough Council). Work will be carried out throughout the life of both projects (ICT and shared service) to ensure the specifications required by the planning departments and planning support shared service are fed into the development of the ICT system.

The savings identified in the planning support business case do not include the savings deliverable through joint procurement of an ICT system as these are captured by the ICT partnership. This also means that the costs of delivering the ICT system fall within the business plan for ICT and will not be attributable to this project.

Planning officer changes and impacts

The steer was given by the MKIP Board that they were happy to consider sharing planning support but that local planning application determination was considered too sensitive and responsive to local requirements to be shared. However, in sharing planning support there will be inevitable

consequences for planning. These include changes to tasks carried out by planning officers (such as validation) and the use of new ICT systems and electronic working for planning officers. Sharing planning support allows the sharing of best practice, processes and provides a link to learn from each authority driving further improvements across planning departments.

This will represent changes for planning officers who will also need to be supported and trained over the period of delivery and will feed into the formation of the shared service and specification of a planning ICT system.

There will be efficiencies in planning officer time that arise from the formation of the shared service however as these are outside of the scope of this project they have not been captured in the business case. Estimated efficiencies are £27-32k in value for each of Maidstone and Swale Borough Councils but it will be for each authority to determine the best approach for managing those efficiencies.

A risk has been identified by Heads of Service and planning officers in follow-up work of the numerous tasks that fall outside of standard processes carried out by support staff that they are concerned will fall to planning officers if support is moved off site. These issues are discussed below under feasibility assessment.

Feasibility Assessment

Further work was done on testing the one site location for the shared service following the business case going to the MKIP Board. Work was undertaken with Planning Support team leaders and supervisors on 18 January 2013 to identify any major issues that would prevent this model from operating and to produce service design requirements for the Planning Support Manager to factor into the new service in order to be able to deliver the service from a single location.

No insurmountable issues were identified and a list of requirements for the new service was produced. Whilst it is recognised that there will be significant work required to deliver some of the design requirements they are all considered to be deliverable.

A follow-up meeting was held with planning officers in order to get their early views on the impact of a planning support shared service delivered from a single location with a series of recommended actions arising. Key among them is the recognition that the officers are concerned that removing planning support from on site to a remote location could result in numerous incidental tasks falling to planning officers and putting extra pressures on their time.

The Heads of Service have considered this issue as part of the project team and have identified that there may be benefit to the planning service as a whole in including residual tasks that cannot be removed or handled within the planning support team into a technical officer post at each authority that would form a link between each planning department and the central support team and provide a potential career link into becoming a planning officer. A key recommendation from this work is therefore that

the Shared Planning Support Manager (once appointed) would work with the Heads of Service and planning officers to identify and address those functions.

In broad terms three solutions are feasible, the third relating to the provision of a technical officer:

1. Remove the activity - through identifying the processes that produce the activity and re-designing the processes to avoid its creation in the planning office.
2. Remote delivery – design processes that produce the activity to (a) rely on electronic delivery to planning officers (i.e. histories and powerpoint presentations), (b) ensure the activity takes place in the central office (i.e. photocopying to be sent to an external address) or (c) programme the activity to allow time for delivery to the planning officer (i.e. documents for planning officers).
3. Fund an alternative method of delivery –such as through the technical officer solution in 1.3.20. This would be done within the existing cost limits agreed in the business case as functions would transfer to the technical officers from the planning support team.

Another key aspect of the feasibility work has been the identification of significant differences across the three authorities in terms of their current levels of electronic working and the processes used to deliver registered planning applications and planning support services. There will be a significant amount of work to do for the Shared Planning Support Manager in aligning processes, technologies and cultures across the three planning departments and this represents a significant opportunity for the authorities to share best practice and improve planning and planning support services.

It is recommended that the preferred one site model be confirmed as the model for the shared service.

Savings Split

Chief Executives have been consulted on the preferred method of sharing the savings from the planning support shared service based on the outcomes required by each authority. The initial savings split for the shared service is recommended to be on an investment basis, as set out in Appendix 4 to Appendix A of the report of the Director of Change, Planning and the Environment, with the costs of service moving toward a volume based costing model as further savings are identified and the time taken to handle the volumes of work through the new team, system and processes can be accurately measured.

Performance levels during change period

The issue of acceptable levels of performance across planning during the change period has been discussed with the Heads of Planning. The principle behind agreeing performance levels is not to make poor performance acceptable but to predict where due to the significant

changes expected to the service there may be a temporary impact on performance so that should that occur it can be managed.

The detailed implementation plan from the Planning Support Manager is required before the details of performance impacts over the year April 2013 to April 2014 can be agreed. The Heads of Planning will sign off and need to be satisfied with these impacts and will be part of the project team that agrees the detailed implementation plan.

Employment and budget recommendation

MKIP is currently reviewing its future employment approach and structure with the project due to report to the MKIP Board in June 2013, with reports coming to Cabinets following that date in quarter 2 of 2013/14. As staff will be at a single location it is recommended that the Chief Executives, having regard to the wider employment model work, consider whether staff should be transferred to a single employer for this shared service.

Experience from previous shared services has demonstrated that retaining staff with existing employers can create a complicated situation with budgets as they are retained at each of the authorities. This increases the work required by the Shared Manager for those services as they need to manage multiple budgets rather than one, including, for example, getting authorisation for staff training from multiple authorities. It is therefore recommended that lead accountants be appointed by s151s for the planning support service and form a finance group to support the work of the project team in developing a suitable budget setup for the Shared Planning Support Manager.

Implementation, Delivery and Next Steps

A high level delivery plan is provided at Appendix 6 to Appendix A of the report of the Director of Change, Planning and the Environment. A more detailed implementation plan will be produced by the Planning Support Manager and delivered within overall project tolerances. The plan will be closely linked to the ICT implementation plan and as such ICT representation is proposed for both the Project Board and Project Team.

Investment in the service is required in order to deliver it successfully. Proposed investment is set out in the business case and has been factored into the return on investment profile.

There will be a significant amount of work for the Shared Planning Support Manager to carry out. The headline tasks for 2013/14 are:

1. Agree detailed implementation plan
2. Finalise structure and appoint staff
3. Implement new ICT system and align processes
4. Agree performance standards for 2013/14 and up to go live date
5. Produce service level agreements and collaboration agreement
6. Produce a shared service plan
7. Train and develop staff

Alternatives considered and why rejected

Alternatives are considered in the Business Case approved by the MKIP Board (Appendix 6 of Appendix A to the report of the Director of Change, Planning and the Environment) and are not considered appropriate as they do not deliver against the critical success factors to the degree of the preferred option.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: **21 June 2013**