



ORBIS PUBLIC LAW JOINT COMMITTEE

MONDAY, 31 OCTOBER 2016

2.00 PM MEMBERS' CONFERENCE ROOM, COUNTY HALL, KINGSTON-UPON-THAMES

MEMBERSHIP - Councillors Denise Le Gal (Chair), Richard Burrett, David Elkin and Les Hamilton

A G E N D A

- 1 Apologies for absence
To receive any apologies for absence.
- 2 Disclosure of Interests
To receive any declarations of interest.
- 3 Procedural Matters
a Members' Questions
The deadline for Members' questions is 12pm four working days before the meeting (25 October 2016).
b Public Questions
The deadline for public questions is seven days before the meeting (24 October 2016).
- 4 Orbis Public Law Joint Committee Terms of Reference (*Pages 1 - 4*)

For Members to collectively note the terms of reference for the Orbis Public Law Joint Committee.
- 5 Project Approach and Progress (*Pages 5 - 12*)

To provide the Joint Committee with an update on the development and integration of the partnership.
- 6 Finance Update (*Pages 13 - 16*)

To provide an update on the finance workstream, the financial principles to be used for the partnership and set out the next steps for setting the Orbis Public Law shared budget.
- 7 Date of the Next Meeting
The next meeting of the Orbis Public Law Joint Committee will be held on 20 January 2017.

PHILIP BAKER
Assistant Chief Executive
County Hall, St Anne's Crescent
LEWES BN7 1UE

21 October 2016

Contact Martin Jenks, Senior Democratic Services Advisor,
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BRIGHTON AND HOVE CITY COUNCIL, EAST SUSSEX COUNTY COUNCIL, SURREY COUNTY COUNCIL AND WEST SUSSEX COUNTY COUNCIL



ORBIS PUBLIC LAW JOINT COMMITTEE

DATE: 31 OCTOBER 2016

LEAD OFFICERS: ABRAHAM GHEBRE-GHIORGHIS (EXECUTIVE LEAD OFFICER FOR STRATEGY, GOVERNANCE AND LAW), ANN CHARLTON (DIRECTOR OF LEGAL, DEMOCRATIC AND CULTURAL SERVICES SCC), PHILIP BAKER (ASSISTANT CHIEF EXECUTIVE ESCC); AND TONY KERSHAW (DIRECTOR OF LAW, ASSURANCE AND STRATEGY WSCC).

SUBJECT: ORBIS PUBLIC LAW JOINT COMMITTEE TERMS OF REFERENCE

PURPOSE OF REPORT: For Members to collectively note the Terms of Reference for the Orbis Public Law Joint Committee.

INTRODUCTION

1. Orbis Public Law (OPL) is the ambitious partnership between the legal departments of Brighton & Hove City Council, East Sussex County Council, Surrey County Council and West Sussex County Council.
2. In early 2016 Lead Members approved the strategic business plan for the partnership.
3. Monday 31 October 2016 marks the first meeting of the Orbis Public Law Joint Committee, which provides strategic management to the partnership.

RECOMMENDATIONS:

It is recommended that the Orbis Public Law Joint Committee:

- i. notes the Terms of Reference agreed by the constituent authorities set out in the appendix to this report; and
- ii. agrees that meetings are chaired by the Lead Member for the authority hosting the meeting.

REASON FOR RECOMMENDATIONS:

To formally establish a robust and democratic governing authority for the Orbis Public Law partnership.

Contact Officer: Emma Nash, Orbis Public Law Project Manager, 07552 286 765.

Appendix 1 – OPL Joint Committee Terms of Reference

Orbis Public Law Joint Committee Terms of Reference

Membership:

1. The Committee shall comprise of Members appointed by the constituent authorities. Currently Brighton & Hove City Council, East Sussex County Council, Surrey County Council and West Sussex County Council (“the Councils”). Each authority shall appoint one Member to the Committee in accordance with its constitution.
2. Each Council’s Leader (or in the case of Brighton & Hove City Council, the Council) may appoint one substitute Member to attend meetings of the Joint Committee, should an appointed member of the Committee be unavailable or unable to attend a meeting of the Joint Committee. A substitute Member attending in the absence of an appointed member will have full voting rights.

Terms of Reference:

The Orbis Public Law Joint Committee will:

1. Oversee the delivery of the services delivered jointly through the Orbis Public Law partnership of the Councils (‘OPL’).
2. Recommend proposals to meet the annual budget for OPL, set by each of the Councils.
3. Approve the OPL Business Plan and performance measures.
4. Monitor the OPL Business Plan and performance of OPL.
5. Make recommendations to the constituent authorities regarding revisions to the Terms of Reference of the Orbis Public Law Joint Committee.

Meetings of the Committee:

The Orbis Public Law Joint Committee will meet on four occasions a year, unless a different number of meetings is determined by the Committee

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BRIGHTON AND HOVE CITY COUNCIL, EAST
SUSSEX COUNTY COUNCIL, SURREY COUNTY
COUNCIL AND WEST SUSSEX COUNTY
COUNCIL



ORBIS PUBLIC LAW JOINT COMMITTEE

DATE: 31 OCTOBER 2016

LEAD OFFICERS: ABRAHAM GHEBRE-GHIORGHIS (EXECUTIVE LEAD OFFICER FOR STRATEGY, GOVERNANCE AND LAW, BHCC),
ANN CHARLTON (DIRECTOR OF LEGAL, DEMOCRATIC AND CULTURAL SERVICES SCC),
PHILIP BAKER (ASSISTANT CHIEF EXECUTIVE ESCC);
AND
TONY KERSHAW (DIRECTOR OF LAW, ASSURANCE AND STRATEGY WSCC).

SUBJECT: PROJECT APPROACH AND PROGRESS

PURPOSE OF REPORT:

To provide the Orbis Public Law Joint Committee with an update on the development and integration of the partnership.

INTRODUCTION

1. The vision of Orbis Public Law (OPL) is:

to be a single, resilient, sustainable, cost effective legal service with a public service ethos with an ability and ambition to grow.

2. Each of the four Councils' legal teams faces similar issues of increasing demand, and fewer resources meaning that it is harder to manage demand and provide the quality, and increasingly specialised, legal service that Councils rely upon. Each Council currently struggles to recruit and retain legal staff in critical areas. There is also pressure to reduce cost and spending. By working together, the four partners will be able to realise savings in excess of those achievable alone, whilst still delivering a good service to their authorities. Bringing the teams together will also provide extended opportunities for staff. The single legal service aims create a resilient, flexible single Legal Service with a critical mass of expertise that will provide a quality, cost effective service for customers.

3. The strategic business plan was approved by the four authorities and Orbis Public Law soft launched on 4 April 2016 providing a shared identity across the partnership. Since then the project team has been working on the staged approach towards the aim of a fully converged service by April 2019.

RECOMMENDATIONS:

It is recommended that the Orbis Public Law Joint Committee:

- i. notes the approach for designing and implementing the single service.
- ii. notes the progress made towards achieving this goal.

REASON FOR RECOMMENDATIONS:

4. To ensure Members have oversight of the design and delivery of Orbis Public Law.

DETAILS:

Project approach

5. Project Governance arrangements have been agreed. The Orbis Public Law Joint Committee oversees the delivery of the services. Executive Board Members are accountable for the project, and for providing clear leadership and alignment to the strategic direction. The Project Board delivers the work and ensures new working practices are embedded into the organisation to realise benefits.
6. A number of workstreams have been established and are listed below. These are led and managed by staff within OPL who collectively form the Project Board.
 - i. Governance
 - ii. Alternative Business Structure
 - iii. Finance
 - iv. Staff
 - v. Customer engagement
 - vi. Practice Management and Processes
 - vii. ICT
 - viii. Commercial and Marketing

OPL's Business Development Manager and Project Manager provide dedicated support to manage and deliver change.

Priority Areas

7. Areas of integration have been prioritised, because they are seen as key to income growth and to reducing external legal spend. They are being managed through the following projects:
 - i. The Commercial pathfinder
 - ii. Child protection, advocacy,
 - iii. Alongside this, work is ongoing with the Ministry of Justice in relation to the court modernisation programme; and in relation to alignment of processes and support system to help ensure we operate a single team.

Commercial pathfinder

8. Commercial areas of law include property, procurement, contracts and major projects. The decision to start with this area was driven by a number of factors:
 - i. Between them, the authorities possess a significant pool of talent in a field where it proves difficult for individual teams to recruit.
 - ii. In recent years teams have seen a significant increase in the volume of technical and complex projects requiring specialist knowledge. This work is expensive to buy-in.
 - iii. Commercial work is readily deliverable from locations at a distance from clients and projects.
 - iv. Commercial work is a marketable service and lends itself to inter-authority collaboration and opportunities to generate additional income.
9. Over the summer a steering group and working group have been reviewing the current offer and designing a single OPL commercial law service. The teams are finalising the analysis and aim to present these recommendations this autumn.

Child protection Advocacy,

10. The volume and complexity of child care cases is increasing across the partnership. This is a national trend and is putting a sustained strain on each authority's resources. Advocates carry out work on child protection proceedings and attend court on behalf of local authority clients. Each of the four partners employs dedicated advocates and supplement this with external representation as required. The rapid growth in such work tied to problems in recruitment mean that spend on external advocacy is increasing (£1.8m collectively during 2015/16). A review of advocacy arrangements across the partnership is underway to see whether expenditure on bought-in legal representation can be reduced and to establish the feasibility of setting up a single advocacy unit for Orbis Public Law. Recommendations are expected by the end of 2016.

Court Modernisation Programme

11. Due to significant financial pressures the Sussex and Surrey family courts are progressing with a court modernisation programme expected to deliver a number of efficiencies via court closures, combining Sussex and Surrey courts and implementation of a digital court room. OPL has joined the programme board which ensures that OPL works collaboratively with the courts in the design of the digital court. The first phase of implementation is electronic filing of documents, due to go live by the end of October, followed by provision of evidence bundles in electronic format by the end of January 2017. Electronic bundles will require each authority's child care team to be operating an electronic case management system. This project has already resulted in benefits, delivered through the strength of the OPL partnership and collaboration with the court. An example of this is the redesign of the Emergency Protection Orders (EPO) process, making it

more cost efficient and less time consuming for both the authorities and court service.

12. A review of the equipment available to advocates and lawyers in the child protection area in each location is underway to achieve recommendations of the advocacy project and the digital court requirements. This will support efficiency of the advocates whilst working remotely and at court.
13. Building on the success of shared child protection processes, work has begun to share the key documents and standardise the processes used in the practice areas of:
 - Pre-proceedings and adoptions
 - Instruction of experts
 - Issuing care proceedings

Progress on the workstreams

Governance

14. The law is a heavily regulated profession and the governance workstream ensures that all processes are in place for Orbis Public Law to operate lawfully, ensuring compliance with the requirements of the Law Society and Solicitors' Regulation Authority (SRA).
15. The legal framework for Orbis Public Law's operation will be set out in the Inter Authority Agreement (IAA). This is currently being drafted and it is anticipated that it will be completed by the end of the year. In lieu of this a protocol to manage conflicts of interest has been established and included in each legal service's office manual.
16. The Orbis Public Law trade mark has been registered.

Alternative Business Structure

17. The partnership has an ambition to grow and work for a wider range of organisations beyond the core service provided. The initial intention was to prepare a business case to create Orbis Public Law Ltd as a jointly owned Alternative Business Structure (ABS). There continues to be a lack of clarity surrounding the regulatory position and the team are in dialogue with the Solicitors Regulation Authority. Given the significant cost of set-up and ongoing regulation, further integration will be established in advance of progressing an ABS and the regulatory situation (which remains fluid) will be kept under review.

Finance

18. It is the intention to have a joint operating budget for 2017/18 and savings plan for April 2018/19. These are both a key component of the Inter Authority Agreement. A separate agenda item details the workstream approach, principles and progress in more detail. Considerable work has been undertaken to identify those budgets which form part of the legal services budgets and those budgets which are managed on behalf of other

Departments. This has been complicated by the fact that there are differences in practice in the Authorities.

19. Finance officers from each of the 4 Authorities have been working together to deliver on the key objectives in the finance work plan:

- i. To build on the business case and develop a financial baseline for OPL;
- ii. To understand current gross expenditure, income generating activities and managed on behalf of budgets at each authority;
- iii. To propose key financial operating principles for integration;
- iv. To determine the agreed contribution ratio (ACR) and how this will be annually reviewed;
- v. To create a mechanism for monitoring and reporting finance vs activity;
- vi. To create a joint operating budget and mechanism for reporting; and
- vii. To support the creation of an OPL savings plan.

20. The separate agenda item on finance looks in more detail at the financial principles in particular in relation to the agreed contribution ratio. The table below sets out the baseline and contribution ration based on the 16/17 figures. Adjustments will have to be made to these figures for 17/18 to take account of savings targets and other expected movements such as the recruitment of in house advocates.

Orbis Public Law Finance Baseline - 2016/17					
	BHCC	ESCC	SCC	WSCC	Total OPL OB
Staffing	2,245	1,655	3,255	2,897	10,052
Non-Staffing	69	91	134	114	408
Gross Expenditure	2,314	1,746	3,389	3,011	10,460
External Income	-349	-258	-395	-319	-1,321
Net Expenditure	1,965	1,488	2,994	2,692	9,139
ACR	21%	16%	33%	29%	100%

Staff

21. Effective working relationships are developing across the partners and the staff workstream helps to facilitate this by keeping staff informed and involved and supporting people through this level of change.

22. The following communication channels have been established:

- i. Joint emails from 'Orbis Public Law' following the monthly Project Board meetings
- ii. Notice boards at each site
- iii. Yammer, an online social networking site, specifically for Orbis Public Law colleagues
- iv. Monthly staff forum meetings at each location
- v. Manager and staff workshops
- vi. Question & Answer sessions at each location

23. Staff within the partnership have attended a 'Think Change' change management session. These sessions explain how the brain deals with change and gives staff the tools and techniques to support themselves and their teams. In all 208 people (from a total of 230) have attended and feedback continues to be positive.
24. All solicitors are required to undergo prescribed annual training. The SRA is changing its training requirements for Solicitors from November 2016, adopting a more flexible approach and moving to a Continued Competence Development Plan. A uniform approach has been developed for OPL and is currently being implemented across the teams. As part of this, a training programme has been published and is available to all OPL colleagues. Free training has been sourced from contacts at Barristers Chambers and private law firms. There is currently one or two sessions each month with an opportunity cost saving of in the region of £2000 per event. This contributes to lawyers' SRA training requirements.
25. A recruitment protocol has been developed. This looks at the capacity across the partnership to deliver the work, seeks to offer development opportunities and ensure that the work is carried out at the right level.

Practice Management and Processes

26. Alignment of practice management and associated processes across all four authorities has picked up pace with the appointment of OPL's Business Development Manager who also leads the ICT workstream. A joint approach will ensure that those who use OPL's services can be confident of a similar approach across the partnership and the partners can continue to satisfy the expectations of Lexcel (the Law Society Practice Management standard).
27. An established approach to consistent time recording across the partnership in order to monitor work volume and type of cases will commence, starting with a workshop for the commercial pathfinder teams on 18 October 2016. As part of a review of case types, work types and time recording activities, consideration will also be given to the key performance indicators required.
28. In line with the commercial pathfinder, the risk profiles attached to each work area and consideration of the level of risk that each lawyer can hold needs to be reviewed. This is a key area of work to support the ability to share work allocations across the partnership and comply with Lexcel procedures. In addition these risk profiles will consider the risk held by stakeholder departments and cross function working on this with procurement teams is scheduled for late October.
29. Work has started on a joint office manual. Where wholly agreed processes and procedures such as the conflict of interest policy and EPO process are adopted these are forming the basis of the shared manual. The manual is specifically about legal practice and process.

ICT

30. In September, BHCC implemented the Prescient Plus case management system. This is the same system as ESCC and SCC and is a significant milestone in taking the partnership another step further towards a single, efficient and coordinated legal practice. The implementation was achieved within a very ambitious timeframe, thanks to excellent shared working between BHCC, SCC and ESCC colleagues.
31. The next step will be for the Business Development Manager to work with WSCC to adopt the same system. Scoping the data contained in the current system to transfer to the new is an essential part of this work. Notable too will be some implementation of new processes that will introduce Lexcel compliance requirements to the WSCC team. Waiting for the implementation of the new system before implementing such requirements is considered the most efficient way to move WSCC to Lexcel compliance standards (albeit that many are in place though not recorded as per the other partners). Work has already begun to understand and assess the IT and system requirements required and meetings between both Civica (the case management provider) and Capita (the WSCC IT provider) have already taken place.

Customer engagement

32. Members of the Project Board are working with existing stakeholders and customers to understand their perspective, particularly regarding the commercial pathfinder areas of law.

Commercial and Marketing

33. While initially the focus is on establishing the partnership, the Business Development Manager will be soon starting to work with teams and customers to develop the commercial strategy and work plan to execute this strategy.

CONCLUSION

34. Key project deliverables will converge by the end of the year which will enable the joint budget, savings plan, and processes to be confirmed and formalised in the Inter Authority Agreement, which is to be effective from April 2017.

Contact Officers: Emma Nash, Project Manager (07552 286 765) and Andrea Kilby, Business Development Manager (07970 458 955).

Appendices: None

Sources/background papers:

- Orbis Public Law strategic business plan – January 2016
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BRIGHTON AND HOVE CITY COUNCIL, EAST
SUSSEX COUNTY COUNCIL, SURREY COUNTY
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COUNCIL



ORBIS PUBLIC LAW JOINT COMMITTEE

DATE: 31 OCTOBER 2016

LEAD OFFICERS: ABRAHAM GHEBRE-GHIORGHIS (EXECUTIVE LEAD OFFICER FOR STRATEGY, GOVERNANCE AND LAW), ANN CHARLTON (DIRECTOR OF LEGAL, DEMOCRATIC AND CULTURAL SERVICES SCC), PHILIP BAKER (ASSISTANT CHIEF EXECUTIVE ESCC); AND TONY KERSHAW (DIRECTOR OF LAW, ASSURANCE AND STRATEGY WSCC).

SUBJECT: FINANCE UPDATE

PURPOSE OF REPORT: To provide an update on the finance workstream, the financial principles to be used for the partnership and set out the next steps for setting the Orbis Public Law shared budget.

INTRODUCTION

1. Orbis Public Law (OPL) depends upon true partnership working including the sharing of budgets, savings and resourcing. There are financial considerations to be included within the Inter Authority Agreement (IAA) in order to set a joint budget for OPL to share from April 2017.
2. This paper details the key financial principles that OPL will depend upon, and sets out the next steps for setting a joint partnership budget.

RECOMMENDATIONS:

The Joint Committee is asked to:

- i. Note the report and key financial principles to be used for Orbis Public Law; and
- ii. Await a paper on 20 January 2017 to set out the joint Orbis Public Law budget which will be recommended for approval.

REASON FOR RECOMMENDATIONS:

The Joint Committee has responsibility for recommending the approval of the OPL budget. Therefore, the Joint Committee is asked to review the financial principles on which the budget will be set.

DETAILS:

3. It is necessary to ensure that a consistent approach to budgeting for OPL is undertaken. Each authority budgets for legal services differently, so they will each split into those elements included within the OPL Operating Budget, and those which will remain with the sovereign authority. Only the budget for common expenditure where OPL will have ultimate control will be shared (such as staffing). All externally generated income is to be shared within the OPL Operating Budget.
4. The Agreed Contribution Ratio (ACR) is the percentage split of the OPL operating net expenditure budget between the four authorities and is the key principle that underlies the shared budget. The ACR will form the way in which the OPL expenditure, income and therefore savings will be apportioned. The ACR will be set on the basis of the current level of activity but will flex in response to material movements in demand from an authority. This enables the contributions to flex according to activity levels.
5. The Business Plan set out an ambition of 10% savings over the three years 2016/17 to 2018/19. This equated to £1m savings of a total expenditure of £10m. Current planned savings across the four authorities demonstrate that this target will be achieved. To meet the financial pressures across the authorities, legal services have needed to establish additional savings commencing in 2017/18. There are disproportionate savings targets across the authorities. The 2017/18 savings will be delivered by the four authorities and this will be recognised in the ACR before the budgets are shared. Work is ongoing to understand how the 2018/19 savings will be delivered across the partnership. There are a variety of ways to deliver savings, such as:
 - i. Efficiencies and additional income generated by OPL;
 - ii. Reduction in the work undertaken for an authority, flexing the ACR; and
 - iii. Savings to be made on budgets held within sovereign authorities.
6. The budget setting period is commencing, with the proposed 2017/18 OPL Operating Budget due to be presented to the next Joint Committee on 20 January 2017. This proposed budget will be net of 2017/18 savings and any budgetary adjustments, such as additional funding for pressures. The 2017/18 budget will reset the ACR which will be included within the IAA and monitored against, alongside activity levels. It has been agreed that there will be one responsible budget manager, who will oversee all four strands of the OPL budget monitoring. The full OPL budget monitoring and activity monitoring will be presented at least quarterly to the Board to enable effective management.

CONCLUSION

7. There has been good progress on agreeing the financial principles for OPL to operate within. The overall partnership expenditure and income will be shared on the basis of the ACR, which will also flex according to activity levels. Opportunities are available for each authority to deliver differing levels of savings.

8. The proposed 2017/18 OPL Operating Budget will be presented to the Joint Committee on 20 January 2017.

Contact Officer: Marie Nickalls – OPL Finance Lead, ESCC Head of Finance

Consulted With:

OPL

Emma Nash – OPL Project Manager

Andrea Kilby – OPL Business Development Manager

OPL Lead Officers

Abraham Ghebre-Ghiorghis – BHCC Lead

Philip Baker – ESCC Lead

Ann Charlton – SCC Lead

Tony Kershaw – WSCC Lead

Finance Leads

Sue Chapman – BHCC Finance

Peter Francis – BHCC Finance

Andy Fowler – ESCC Finance

Claire Walker – SCC Finance

Stuart Elsdon – WSCC Finance

Section 151 Officers

David Kuenssberg – BHCC COO

Phil Hall – ESCC S151

Sheila Little – SCC S151

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