

ORBIS JOINT COMMITTEE

FRIDAY, 19 JANUARY 2018

2.00 PM COMMITTEE ROOM, COUNTY HALL, LEWES

MEMBERSHIP - Councillors David Elkin, Bob Standley, Tim Oliver, Denise Turner-Stewart, Les Hamilton and Andrew Wealls

A G E N D A

- 1 Apologies for absence
To receive apologies for absence.
- 2 Minutes of the previous meeting (*Pages 1 - 8*)
To agree the minutes of the last meeting as a correct record of the meeting.
- 3 Declarations of interest
All Members present are required to declare, at this point in the meeting or as soon as possible thereafter
 - i. Any disclosable pecuniary interests and / or
 - ii. Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest
- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner)

Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

- 4 EY Market Insight (*Pages 9 - 30*)
To provide an update to the Joint Committee from EY who have been engaged as a strategic partner to Orbis to support the ongoing development of the partnership and to enable Orbis to learn from market leading practice in order to remain sustainable.
- 5 November Budget Monitoring (*Pages 31 - 36*)
To provide an update to the Joint Committee on the financial position of Orbis at the end of November 2017.
- 6 Orbis Operating Budget 2018/19 (*Pages 37 - 44*)
To provide an update to the Joint Committee on the 2018/19 Orbis Operating budget, in order for the Joint Committee to recommend an estimate of the 2018/19 contributions to be made by Brighton & Hove City Council, East Sussex County Council and Surrey County Council.
- 7 Business Plan (*Pages 45 - 126*)

To provide an update to the Joint Committee on the three year business plan for Orbis which is now complete following a review of work in progress by the Joint Committee in October 2017. Approval of the business plan is necessary, in order for the partnership to continue integration of services to deliver the benefits specified.

8 Orbis Human Resources and Organisational Development Service update (*Pages 127 - 148*)

To provide an update to the Joint Committee on the Orbis Human Resources and Organisational Development function which is progressing its integration journey required to deliver the efficiencies identified in the original Orbis Business Plan.

9 Orbis Joint Committee Forward Plan (*Pages 149 - 152*)

To review and agree the Committee's Forward Work Programme.

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

JULIE FISHER
Acting Chief Executive
Surrey County Council
County Hall, Penrhyn Road
Kingston-upon-Thames KT1 2DW

11 January 2018

Contact Martin Jenks, Senior Democratic
Services Advisor,
01273 481327
Email: martin.jenks@eastsussex.gov.uk

Emma O'Donnell
Democratic Services Assistant
020 8541 8987
Email: emma.odonnell@surreycc.gov.uk

MINUTES of the meeting of the **ORBIS JOINT COMMITTEE** held at 2.00 pm on 16 October 2017 at County Hall North, West Sussex County Council, Parkside, Chart Way, Horsham, RH12 1XH.

These minutes are subject to confirmation by the Committee at its meeting on Friday, 19 January 2018.

Elected Members:

*present

- * Cllr David Elkin
- * Cllr Tim Oliver (Chairman)
- * Cllr Leslie Hamilton
- * Cllr Denise Turner-Stewart
- * Cllr Bob Standley
- * Cllr Andrew Wealls

In attendance

Kevin Foster, Chief Operating Officer, East Sussex County Council
Sheila Little, Orbis Finance Director, Surrey County Council
David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council
Matt Scott, Orbis Chief Information Officer
Adrian Stockbridge, Orbis Programme Manager, Surrey County Council
Gail Perryman, Orbis Programme Co-ordinator, East Sussex County Council
Emma O'Donnell, Democratic Services Assistant, Surrey County Council
Neil Sartorio, EY
Hayley Stearn, EY

14/17 APOLOGIES FOR ABSENCE [Item 1]

There were no apologies of absence.

15/17 MINUTES OF THE PREVIOUS MEETING: 20 JANUARY 2017 [Item 2]

The minutes of the previous meeting, held on 20 January 2017, were agreed as a true record of the meeting.

16/17 DECLARATIONS OF INTEREST [Item 3]

There were none.

17/17 PROCEDURAL MATTERS [Item 4]

a MEMBERS' QUESTIONS [Item 4a]

There were none.

b PUBLIC QUESTIONS [Item 4b]

There were none.

18/17 ORBIS JOINT COMMITTEE TERMS OF REFERENCE [Item 5]

Declarations of interest:

None

Witnesses:

Adrian Stockbridge, Orbis Programme Manager
Kevin Foster, Chief Operating Officer, East Sussex County Council

Key points raised during the discussion:

1. The Chairman suggested that due to the challenges being faced by each of the partnership authorities, it would be beneficial to have quarterly meetings in 2018.
2. There was some discussion about whether the additional meeting should be formal or informal. Members were in agreement that quarterly formal meetings would be most appropriate.

Actions/ further information to be provided:

Officers to arrange an additional formal meeting for the Committee in April 2018.

RESOLVED:

The Committee noted and approved the Terms of Reference, with one amendment to the frequency of meetings in 2018.

19/17 ORBIS BUSINESS PLAN REFRESH [Item 6]

Declarations of interest:

None

Witnesses:

Kevin Foster, Chief Operating Officer, East Sussex County Council
Sheila Little, Director of Finance for Orbis and Surrey County Council
David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council
Adrian Stockbridge, Orbis Programme Manager, Surrey County Council
Gail Perryman, Orbis Programme Co-ordinator, East Sussex County Council

Key points raised during the discussion:

1. Officers introduced the report and explained the key components of the refreshed business plan. It was highlighted that there were currently no financial details within the business plan, although officers recognised the ongoing austerity with local government funding and were therefore working on an assumption that further savings options would be required by each of the Sovereign Partners. Areas of search for a further 2-8% saving being required in 2019/20 and 2020/21 will be firmed up during the Medium Term Financial Planning process.

2. Members noted that by the end of 2019, the partnership will have delivered 20% saving on gross costs without impacting on service delivery and that there would come a point where it would not be possible for further efficiencies to be made in some areas purely through the creation of the shared service and service integration.
3. Members questioned the management structure and suggested there was a lack of clarity about the challenges ahead and direction of leadership. Officers explained that each partner authority had ownership with three sovereign leads. The leads work together to provide strategic direction, whilst acting individually to address sovereign-specific challenges.
4. Members suggested added granularity in the business plan with greater detail would be more useful. The inclusion of Key Performance Indicators (KPIs) would allow Members to assess whether the partnership was on track.
5. Members acknowledged that within Business Operations, there were over 100 KPIs to measure performance, whilst in areas such as finance, as the nature of the business was different, those KPIs were less relevant and developed. The Orbis Programme Director explained that performance metrics across finance, people and risk management were being developed with a view to pulling them into a balanced scorecard document to be able to review easily.
6. Members were informed that benchmarking was possible in some services, for example IT & Digital, however in other areas, services were working to develop their own.
7. Officers explained that delivering Centres of Expertise was core to the business model and would enable efficiencies to be delivered.
8. Members noted additional income was expected to be generated by Business Operations winning additional business through accounts payable and receivable and pension administration services. It was acknowledged however, that this was a difficult market with tight margins.
9. Members suggested that the business plan required consolidating into a smaller, more focussed document, including financials and for this to be reviewed at the next meeting in January 2018.

Actions/ further information to be provided:

Officers to amend the Orbis business plan refresh document based on Member feedback and bring back to the Committee in January 2018.

RESOLVED:

The Members noted the Orbis business plan refresh and requested some amendments be made to the document for review by the Committee in January 2018.

20/17 AUGUST BUDGET MONITORING REPORT [Item 7]

Declarations of interest:

None

Witnesses:

Kevin Foster, Chief Operating Officer, East Sussex County Council
Sheila Little, Director of Finance for Orbis and Surrey County Council
David Kuenssberg, Executive Director of Finances and Resources, Brighton & Hove City Council.

Key points raised during the discussion:

1. Officers highlighted that Brighton and Hove would be integrated into the budget from the start of the financial year 2018/19.
2. Members noted that Orbis are forecasting an over-delivery of savings in 2017/18 with all areas rated at either green or amber and acknowledged that some early delivery of 2018/19 savings had also been achieved.
3. Members questioned the nature of the £350,000 budget for external advice which was approved as part of the original Orbis business plan. Officers explained that this was a budget provision for the services of EY as part of creating the Orbis integrated shared service and there was no commitment to spend the full provision. This was not contractual, but typically bought quarterly and is priced based on need using the partnership framework. EY consider working with Orbis to be of value to them and as such, charge a reduced rate for their services.
4. Members sought clarity regarding the savings status of Business Operations in Table 3. It was explained that £420,000 of savings were rated as on track, whilst £80,000 were at risk.

RESOLVED:

Members noted the Budget Monitoring Report.

21/17 SERVICE UPDATE- FINANCE [Item 8]**Declarations of interest:**

None

Witnesses:

Sheila Little, Director of Finance for Orbis and Surrey County Council

Key points raised during the discussion:

1. Members received a presentation of slides from the Director of Finance.
2. Members noted that the finance teams across all three partners have been working together since last year and that an integrated finance leadership team was now in place to help ensure integration of the finance function develops and sustains an appropriate focus on sovereign specific compliance and control.
3. The Director of Finance explained that the Internal Audit team was further ahead in terms of integration, having worked together since

October 2015 and audit reports have been remodelled so they are consistent to best practice and the same across all partners. The Internal Audit team's integration has allowed data collection to be more streamlined and has provided opportunities for growth.

4. Members were informed that a review of specialist services was underway which would involve a £2.5m spend across all partners and is aimed at developing Centres of Expertise leading to around 20% savings through the integration process.
5. Savings in the current financial year were mainly being delivered through vacancy management.
6. The Director of Finance update that the service had recently held a team away day to engage with staff, which feedback has indicated was very successful.
7. Members noted that all three partners currently have different external auditors for statutory account audits, however as of the start of 2018/19, all authorities would have the same external auditor, Grant Thornton.

RESOLVED:

Members noted the content of the presentation.

22/17 SERVICE UPDATE- IT & DIGITAL [Item 9]

Declarations of interest:

None

Witnesses:

Matt Scott, Orbis Chief Information Officer

Key points raised during the discussion:

1. Members received a presentation from the Chief Information Officer.
2. Members noted that the IT & Digital (IT&D) service had undergone a restructure, with the leadership team having been reduced from 12 to five. A 33% reduction of staff had already contributed to £1m savings in the current financial year.
3. The Chief Information Officer explained that following three years of service and team structure redesign, it was important that the changes have time to embed during the 2018/19 financial year, so to maintain staff morale and aid staff retention.
4. Members were informed that there were currently 133 IT&D projects underway, including piloting robotic systems within Business Operations.
5. The Chief Information Officer explained that the IT&D spend across the partnership was below the industry average and therefore constitutes value for money. Although there are risks associated with a lower level of investment, Members noted that IT&D supports over 15,000 users and trading customers provide a net contribution of £0.5m towards overheads. Furthermore, it was acknowledged that

IT&D was critical in ensuring the organisation could deliver all of its services.

6. The Chief Information Officer explained that phase one of Hygiene factor delivery for equipping and enabling Orbis would be completed by the end of 2017/18. Phase two will allow key systems to be shared and accessed across the partnership, including Property Asset Management System (PAMS), Sharepoint and SAP.
7. Members enquired about the contingencies in place for system failure. It was explained that whilst contingencies were in place and were robust, disaster recovery systems operate using the last stored back up and can sometimes take a while to fully restore. The focus going forward will be on ensuring high systems availability, therefore reducing the risk of requiring back up arrangements.

RESOLVED:

Members noted the content of the presentation.

23/17 EY MARKET INSIGHT [Item 10]

Declarations of Interest:

None

Witnesses:

Neil Sartorio, EY
Hayley Stearn, EY

Key points raised during the discussion:

1. Members noted that the Quarterly report provided was the first edition, therefore EY would have an update to present at each quarterly meeting of the committee.
2. Officers explained that EY invest across both UK & Ireland and on a global scale and are able to present their findings and practical examples of concepts that may be of benefit to the partnership.
3. Members noted that behavioural change was key in addressing challenges and that not all issues could be addressed by making savings alone. A key example of this is demand management.

Actions/ further information to be provided:

Officers to circulate further information on behavioural science and relevant case studies to Committee Members.

EY to present another update at the Committee's next meeting.

Resolved:

Members noted the update.

24/17 ORBIS JOINT COMMITTEE FORWARD PLAN [Item 11]

Declarations of interest:

None

Witnesses:

Adrian Stockbridge, Orbis Programme Manager

Key points raised during the discussion:

1. Members requested a service update from HR at the next meeting, covering absence levels and agency staffing levels.
2. It was suggested that EY present their next quarterly update to the Committee in January.

RESOLVED:

Members noted the forward work programme.

25/17 DATE OF NEXT MEETING [Item 12]

The Committee noted its next meeting would be held on Friday, 19 January 2018 at County Hall, Lewes.

Meeting ended at: 4.06 pm

Chairman

This page is intentionally left blank

**EAST SUSSEX COUNTY COUNCIL,
SURREY COUNTY COUNCIL AND
BRIGHTON & HOVE CITY COUNCIL**

ORBIS JOINT COMMITTEE



DATE: 19 JANUARY 2018

LEAD OFFICER: KEVIN FOSTER (CHIEF OPERATING OFFICER, EAST SUSSEX COUNTY COUNCIL), SHEILA LITTLE (DIRECTOR OF FINANCE, SURREY COUNTY COUNCIL) & DAVID KUENSSBERG (EXECUTIVE DIRECTOR FINANCE & RESOURCES, BRIGHTON & HOVE CITY COUNCIL)

SUBJECT: EY MARKET INSIGHT

SUMMARY OF ISSUE:

Orbis was created as the 'compelling alternative' for back office service delivery in Surrey, East Sussex and Brighton & Hove, with an ambition to pioneer new models of service delivery. EY has been engaged as a strategic partner to Orbis to support the ongoing development of the partnership and to enable Orbis to learn from market leading practice in order to remain sustainable.

To raise awareness of the wider operating context, in August 2017 EY launched a quarterly market insight bulletin tailored to Orbis. This aims to share 'snap shot' insights from the local, national and international arena to bring fresh perspectives, share examples of where new initiatives are being introduced and raise questions for Orbis to consider as part of its ongoing evolution. The second iteration of the quarterly market insight bulletin is shared for information.

RECOMMENDATIONS:

It is recommended that Members:

1. Note the contents of the quarterly market insight bulletin prepared by EY and identify any areas for further consideration by officers.

REASON FOR RECOMMENDATIONS:

Members are requested to note the contents of the market insight bulletin, to gain an understanding of the wider local, national and international arena to shape future Orbis service transformation and gain alternative perspectives of how business challenges can be addressed. Members are also requested to identify any areas for further consideration contained within the insights shared in this bulletin, to enable further exploration and support ongoing service improvement.

DETAILS:

- 1.1 Orbis was created as the 'compelling alternative' for back office service delivery in Surrey, East Sussex and Brighton & Hove, with an ambition to pioneer new models of service delivery. EY has been engaged as a strategic partner to Orbis to support the ongoing development of the partnership and to

enable Orbis to learn from market leading practice in order to remain sustainable.

- 1.2 To raise awareness of the wider operating context, in August 2017 EY launched a quarterly market insight bulletin tailored to Orbis. The objectives of the market insight bulletin include:
- Share a range of 'snap shot' insights from the local, national and international arena to bring fresh perspectives to strategic planning
 - Showcase new models of delivery within the public sector
 - Horizon scan for new and emerging ventures
 - Provide a framework to challenge thinking, shape solutions and support the basis of conversations with services and customers
- 1.3 The market insight bulletin will be prepared on a quarterly basis by EY. It has been designed to bring a diverse range of topical insights therefore the content will vary per bulletin. As a key aim of the bulletin is to stimulate different thinking and provide an alternative perspective, the insights shared may not all be directly applicable to Orbis or the sovereign contexts but will be included to showcase examples of creative ways organisations are meeting their most pressing business challenges.
- 1.5 The second issue of the market insight bulletin is attached. Further information is available relating to the insights listed and can be provided as required. It is intended that the bulletin is reviewed and any initiatives of interest are identified so further exploratory work can be undertaken.

CONSULTATION:

1. The market insight bulletin has been reviewed by the Orbis sovereign leads; Chief Operating Officer, Director of Finance and Executive Director for Finance and Resources.
2. This item is for information only and has been prepared by EY, therefore no further consultation has taken place.

RISK MANAGEMENT AND IMPLICATIONS:

3. At this stage, the market insight bulletin is for information only to share examples of how external organisations are approaching their business challenges therefore the risk profile is low.
4. There are risks associated with each of the insights shared which would need to be considered prior to commencing further exploration and/or implementation.
5. If it is agreed that any of the initiatives shared are explored in more detail, the risks will be reviewed and an action plan with mitigating actions will be prepared as appropriate.

| |
|----------------------------------|
| <u>WHAT HAPPENS NEXT:</u> |
|----------------------------------|

6. The market insight bulletin prepared by EY will be reviewed by Members and officers. Any areas of interest will be identified and further exploratory work will be undertaken, to determine whether there is scope for application within Orbis.
 7. The market insight will be prepared on a quarterly basis and be shared with the Orbis Leadership Team and direct reports.
-

Contact Officer:

Adrian Stockbridge, Orbis Programme Manager (0208 541 8093)

Consulted:

Kevin Foster, Chief Operating Officer

Dave Kuenssberg, Executive Director of Finance and Resources

Sheila Little, Finance Director

Annexes:

- EY Market Insight December 2017

Sources/background papers:

N/A

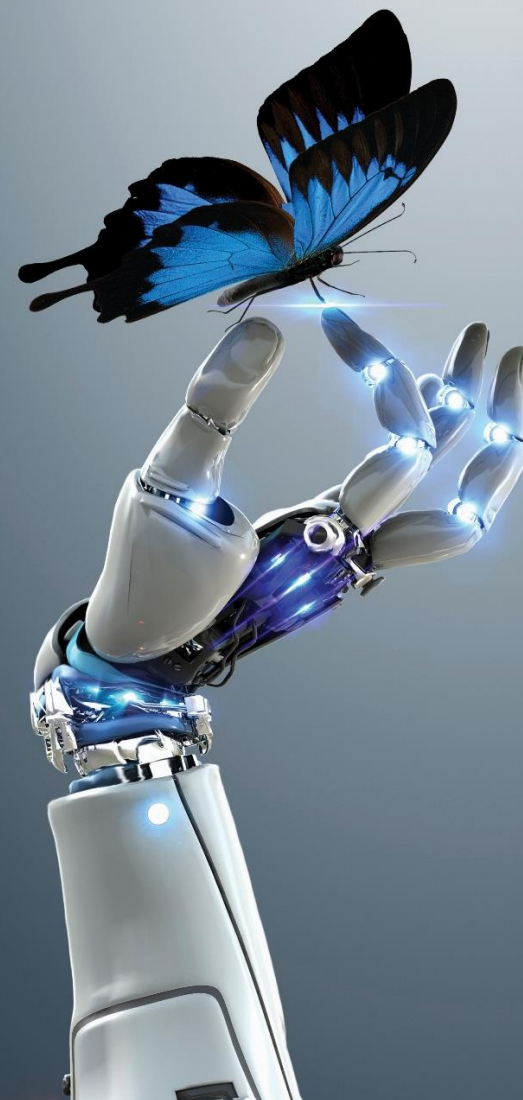
This page is intentionally left blank

Quarterly Market Insight

Understanding the external environment in which Orbis operates

December 2017

Page 13



Introduction

Purpose:

Share 'snap shot' insights from the local, national and international arena to bring fresh perspectives to the Orbis Leadership Team, to support the ongoing transformation of Orbis in order to remain sustainable and continue to add value to sovereign authorities.

Context

- Orbis was created as the 'compelling alternative' for back office service delivery in the sovereign localities and has ambitions to pioneer new models of service delivery and learn from market leading practice in order to remain sustainable in a financially challenging context, whilst continuing to add value to sovereign partners
- EY has been engaged as a strategic partner to Orbis to support the ongoing development of the partnership and the transformation of services
- As part of innovation and opportunity development tier of the partnership, EY and Orbis have agreed to develop a quarterly market insight bulletin which shares 'snap shot' insights from local, national and international organisations
- The bulletin is designed to provide a high level overview of market and business developments, share examples of where new initiatives are being introduced in practice and raise questions for Orbis to consider as part of its ongoing evolution
- Further information is available relating to each insight as required
- As the bulletin is seeking to bring a diverse range of topical insights it is acknowledged that content will vary per bulletin and not all will be directly applicable to Orbis as a conscious attempt to stimulate different thinking and an alternative perspective. The usefulness of this bulletin will remain under review
- In addition, EY will continue to share relevant pieces of thought leadership and sector developments where relevant between the issue of the quarterly market insight bulletin.

Objectives

- Share a range of 'snap shot' insights from local, national and international organisations to bring fresh perspectives
- Showcase new models of delivery within the public sector being deployed in response to the most pressing business challenges
- Horizon scan for new and emerging ventures that EY and Orbis may potentially partner together to deliver, or that Orbis may wish to explore with sovereign partners
- Provide a framework to challenge thinking, shape solutions and support the basis of conversations with services and customers.

Overview

| 1. EY Organisational Developments (P3) | 2. Local & National Insights (P7) | 3. Global Insights (P11) |
|--|--|--|
| <div> <div>EY launches Absolute - a new digital offering which delivers bookkeeping, accounting and tax services to our clients</div> <div>4</div> </div> <div> <div>Employee mental health is increasingly in the spotlight - organisations need to create the conditions for their people to perform well</div> <div>4</div> </div> <div> <div>Cybersecurity Compromise Diagnostics - hunting for evidence of cyber attackers</div> <div>5</div> </div> <div> <div>Wavespace - EY has launched flagship innovation centres across the world to drive transformation</div> <div>6</div> </div> <div> <div>Delivering Social Value - developing a record label to reduce re-offending by providing targeted employment opportunities</div> <div>7</div> </div> | <div> <div>Addressing social challenges through technology solutions</div> <div>9</div> </div> <div> <div>Insight driven transformation for social care professionals to support the protection of children at the right time with the right intervention</div> <div>10</div> </div> <div> <div>Investing in future leaders - putting the Apprenticeship Levy to good use</div> <div>11</div> </div> | <div> <div>Analytics as a competitive differentiator - using data to transform traditional process driven organisations to outcomes focused organisations</div> <div>13</div> </div> <div> <div>In a context of digital disruption, the importance of Procurement as a 'value add' service is at its height</div> <div>14</div> </div> <div> <div>Challenging the art of the possible - meet Sophie, an emerging digital health assistant</div> <div>15</div> </div> <div> <div>CareRooms - a start up company aiming to introduce Airbnb style stays for patients recovering from operations</div> <div>15</div> </div> <div> <div>Cera Care is using artificial intelligence to advise patients on health conditions</div> <div>15</div> </div> <div> <div>SSON's State of the Shared Services Industry report cites a growing shift way from purely transactional shared services towards knowledge and "value add" services</div> <div>16</div> </div> |



1. EY Organisational Developments

1.1 EY Organisational Developments



Page 17

EY launches Absolute - a new digital offering which delivers bookkeeping, accounting and tax services to our clients

Embracing digitalisation, EY Absolute is a cloud based solution that enables us to support a client's entire record to report cycle, to deliver parts, or all, of finance functions, including invoice processing, bookkeeping and month-end close. The tool can also provide strategic management information via the digital platform, to provide capacity for clients to focus on added value activities.

This new digital platform is enabling clients to:

- Increase the capacity of finance functions to better manage demand
- Improve processes to shorten financial close cycles
- Provide access to cloud based technology that replaces multiple finance systems with a single interface
- Increase efficiency and reduce time spent reconciling data and improving the timeliness and accuracy of key management information, so they can focus on key strategic and added value matters.

What opportunities are there for Orbis to improve finance processes further through digital solutions?

Employee mental health is increasingly in the spotlight - organisations need to create the conditions for their people to perform well

Employee mental health is a growing concern for organisations. Posing a threat to organisational performance, many businesses are reviewing their culture and management behaviour and the impact this is having on employee wellbeing and mental health.

EY is trialling a 'Mental Health First Aiders' scheme in the Birmingham office. To increase awareness of mental health issues, triggers and the signs to look out for, a two day course is offered to all staff. The pilot is seeking to build on this and recruit 'mental health first aiders'; those that have attended the course can volunteer support and be a point of contact for colleagues that may have questions or need help. A buddy scheme has also been developed nationally and staff who have been on the training or who have relevant personal experience can become a buddy to provide short term support to another member of staff going through a difficult time in an informal way.

Is Orbis 'switched on' to employee mental health and the impact this can have on performance?



1.2 EY Organisational Developments

Cybersecurity Compromise Diagnostics - hunting for evidence of cyber attackers

Cyber attacks make headlines on a daily basis. We believe it's no longer a question of if our clients will be breached, or even when, it's likely to have happened already but the early signs of an attack may not have been noticed. The threats are constantly evolving, targeting all types of organisations and becoming more prevalent and high profile. Attacks are targeting sensitive information, intellectual property and critical network infrastructure. EY has developed a cybersecurity compromise diagnostic to help organisations identify signs of compromise. ALM Intelligence has recognised EY as a leader for cybersecurity and a 'best in class' provider in the capability area of enabling tools.

- 87% of board members and C-level executives have said that they lack confidence in their organisation's level of cybersecurity
- 64% do not have, or only have an informal, threat intelligence programme
- 57% of respondents have had a recent cybersecurity incident

A cybersecurity diagnostic helps organisations address threats, using market leading technology to detect suspicious processes and/or traffic, considering network traffic, host activity and the use of targeted analytics.

How prepared is Orbis to identify and respond to a cyber attack?

"Take the word 'prevent' out of the dictionary because organisations recognise that stopping sophisticated cyber attacks is unrealistic..."

The quickest way to identify and eject an intruder is to assume that they are already in your environment and to proactively assess your systems and networks for evidence of a compromise"

EY Thought Leadership



1.3 EY Organisational Developments

Wavespace - EY has launched flagship innovation centres across the world to drive transformation

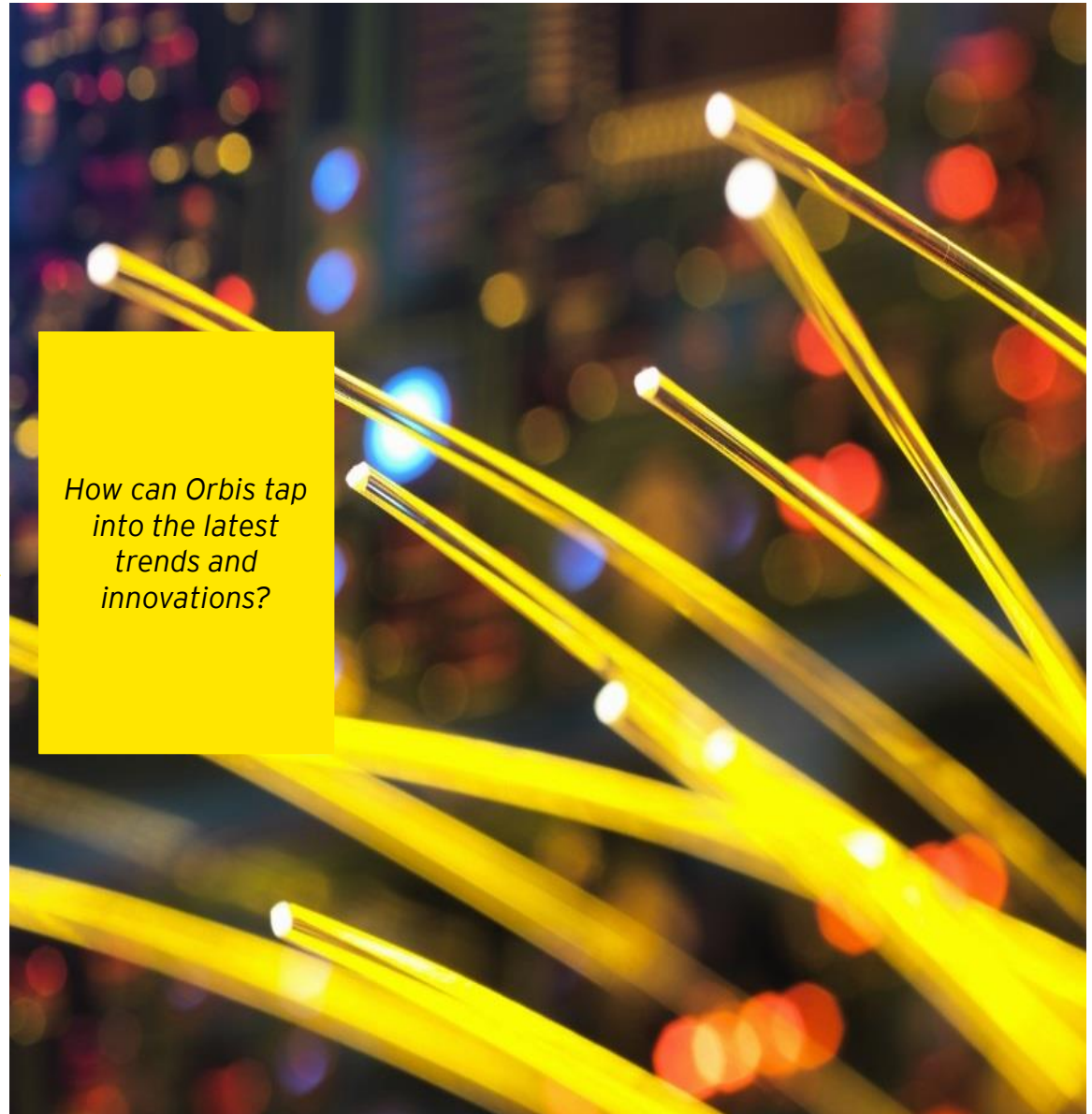
The world is changing; our clients are looking for support to face the challenges ahead and capitalise on the opportunities presented in a context of continuous change, digitalization and disruption.

EY has launched a global network of growth and innovation centres, to help our clients catch the next wave in radical breakthroughs in business transformation by tapping into innovative thinking across disciplines, experience and industry sectors. Each centre is focused on developing specific disruptive growth strategies and technologies.

What has Wavespace delivered so far?

- 50 business processes have been developed, enabled by Blockchain technology, for customers in the financial services sector
- Helped an automotive company develop new mobility services, including on-demand taxi services, smart parking and ride sharing. These have been tested in major cities worldwide
- Created an innovation pop-up lab for a financial services client to drive the development and deployment of new technologies, products and services across the organisation.

How can Orbis tap into the latest trends and innovations?

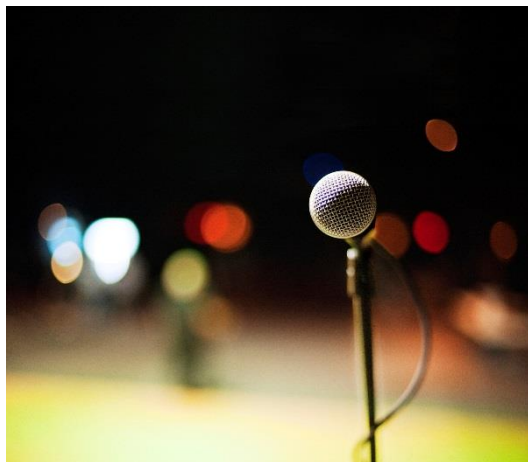


1.4 EY Organisational Developments

Delivering Social Value - developing a record label to reduce re-offending by providing targeted employment opportunities

EY has teamed with Public - a service design company that uses its capability to deliver improved societal outcomes - to build a sustainable record label aimed at reducing re-offending.

As a result of austerity, the funding available for community based initiatives has reduced, yet demand for additional support within local communities is growing. Public have developed a series of training programmes for vulnerable people to encourage employability and personal resilience. Their aim is to build a sustainable business model in order to scale up the training in multiple locations to maximise the value they can add.



EY has teamed with Public to help develop a record label as a commercially sustainable proposition, aimed at providing employment opportunities for offenders.

Re-offending is currently at 44% and has been rising for the last decade. The number of people in prisons has doubled since the mid-90s. This needs to reduce and a key route to this is via employment.

We are supporting the development of a robust business plan to build a sustainable business model that will enable the record label to launch in Spring 2018 and secure investor funding.

The target is to reach 30% of the prisons in the UK in the first phase and 80% by year 5. By building a sustainable business, the aim is to reduce re-offending and violence for those involved in the record label to below the national average of 44%.

Combining our collective expertise and bringing together a network of public sector organisations, media and the voluntary sector to drive employability skills through public and private sector working.

Are any prisons within the Orbis localities interested in participating in the initial phases of this programme?

2. Local and National Insights

2.1 Local and National Insights

Addressing social challenges through technology solutions

UK innovation agency Nesta has found that there are almost 2000 technology driven ventures across Europe that are seeking to use their solutions to address major social challenges - and growing. A common issue has been the ability for these companies to successfully break the marketplace and develop their product at scale to remain sustainable. Further research by Nesta has demonstrated that this is typically a result of limited finance and digital skills and the absence of a holistic, well rounded proposition.

Alcove, one of the London Ventures programme partners, is a UK based company seeking to enable vulnerable people to live more independent lives by providing leading edge technology. The Internet of Things based system deploys cameras and sensors within a person's home and monitors activity, such as movement and taking medicines. This provides piece of mind to individuals and their families and is helping to manage demand in the social care system by enabling people to remain in their own homes for longer.

How can Orbis stimulate and support socially driven technology companies in its localities?

2.2 Local and National Insights

Insight driven transformation for social care professionals to support the protection of children at the right time with the right intervention

EYC3X is a new proposition being developed by EY and Xantura aiming to support the protection of children.

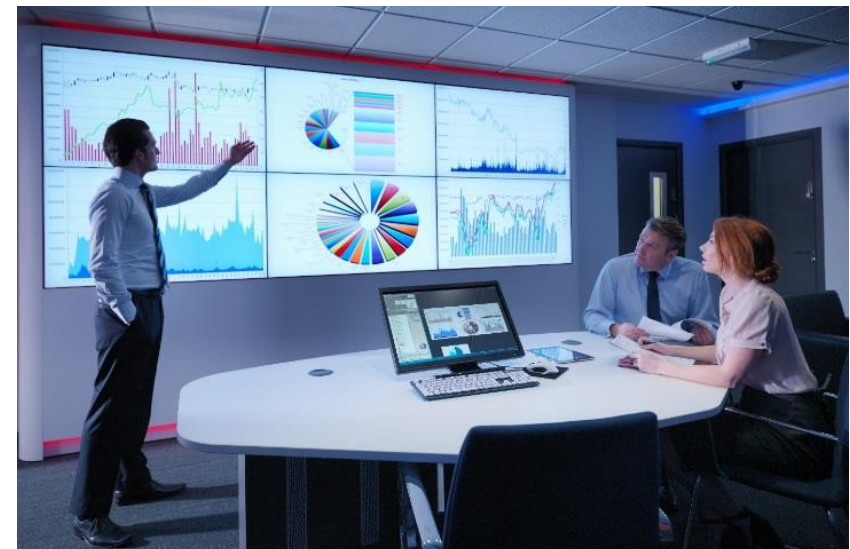
Why is action needed?

- Demand on social care services has increased every year since 2002 whilst budgets have reduced; necessary resources aren't in place to help children and families
- 390,000+ children are supported by child services in England (2016)
- £16.6bn+ was spent by local authorities on late interventions last year
- 90+ children are being taken into care every day
- Currently data is siloed, existing on different systems with leads to difficulty in getting a single view of the child and family to help understand which resources will be the most effective.



EYC3X have developed an advanced platform that uses predictive analytics to bring together data from multiple agencies. The proposition aims to:

- Provide targeted and effective earlier interventions
- Reduce adverse outcomes and costlier statutory interventions
- Support families faster and more effectively
- Automate information gathering across agencies to build chronologies and family compositions faster and eliminate human error input
- Digitalise information sharing across agencies such as Local Authorities, Health, Education or between Local Authorities
- Digitalise key process to build a sustainable model that can flex, adapt, develop overtime and respond to changing priorities.



What could Orbis do to support children's social care services regarding early intervention?

2.3 Local and National Insights

Investing in future leaders - putting the Apprenticeship Levy to good use

Organisations across the UK are facing significant challenges in building the skills, knowledge and attributes in their employees to equip them to respond to what is being described as the fourth industrial revolution - digitalisation - and the future world of work.

The Apprenticeship Levy has been introduced to encourage companies to invest in people development. This is a new payroll tax of 0.5% on organisations whose payroll is greater than £3m per tax year. These organisations face a “use it or lose it” challenge to grasp the opportunity of additional investment in the skills of their workforce.

EY has joined with Henley Business School to provide a market leading Apprenticeship programme. This strategic collaboration brings together Henley’s quality of teaching and learning as a triple accredited business school with EY’s capability to manage a quality service for employer organisations.

Henley and EY will work with organisations to co-create an executive education programme which aligns with the defined apprenticeship standards. This will allow organisations to utilise their levy contribution productively and strategically with a leading business school. Apprenticeships offer a platform for ‘work based learning’ where people in the workplace can use their work experience in the classroom - and apply their academic learning in real work situations. This will provide organisations with more productive managers, capable of developing the business further.

How will Orbis invest in its future workforce and provide opportunities for local residents to develop new skills and expertise?



3. Global Insights



3.1 Global Insights

Analytics as a competitive differentiator - using data to transform traditional process driven organisations to outcomes focused organisations, driving decisions based on insights and enabling value to be measured

The strategic use of data is transforming traditional process driven organisations to help them become more competitive, increase revenues and profits and better manage their risk. Leading organisations are using data as a strategic asset and building entire business models around leveraging insights to deliver exceptional products and services. Top performers with advanced analytics strategies are more likely to achieve a growth in revenue and operating margin of circa 15% and improve their risk profile. Those that are not making progress fast enough are at an increased risk falling behind current and emerging competitors.

EY and Forbes Insight conducted a survey of more than 1,500 global executives regarding the use of analytics. Several over-arching themes emerged, including:

- An analytics strategy that spans the entire business is something only leading organisations have been able to achieve
- Less mature organisations tend to focus on pockets of analytics capabilities, not the end to end offer
- A common blocker to success is a lack of collaboration and alignment of the management; cross-departmental co-operation is essential
- Senior leaders need to understand the potential of analytics and champion this
- Centres of excellence can be a useful way to inject pace and bring clarity
- More than half of survey respondents plan to significantly invest in data and analytics resources over the next two years.

What is the ambition of Orbis regarding analytics?



3.2 Global Insights

In a context of digital disruption, the importance of Procurement as a 'value add' service is at its height

The rise of digital technologies and innovations creates both opportunities and threats for organisations. The Procurement function is increasingly being regarded as an enabler to retaining a strong position in the market.

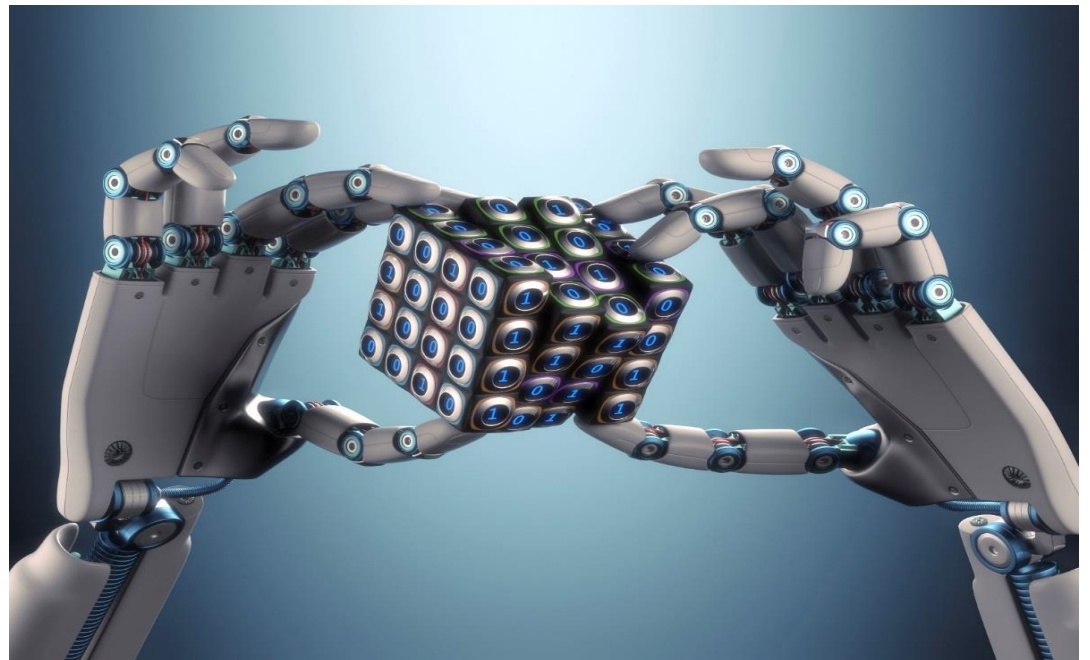
Procurement's growing role is recognised as:

- Activating the strategy - translating strategy into effective supplier relationships
- Managing risk - balancing risk by protecting the organisational brand in the market, minimising supplier disruption and being compliant
- Driving internal and external innovation - building strong relationships with suppliers and taking a collaborative approach to solutions can protect the bottom line
- Leveraging data to drive outcomes - integrating multiple sources of data to influence service delivery and improve outcomes
- Maximising financial benefit - strategic, cross functional purchasing can ensure the business obtains maximum value for every pound spent

Which digital developments will enable better procurement?

- Robotic Process Automation
- Blockchain
- Cloud based platforms and trading networks
- Internet of Things
- Big Data and Analytics
- Professional Social Intelligence

Is Orbis exploiting digital enablers to maximise 'value add' Procurement?



3.3 Global Insights

Challenging the art of the possible - meet Sophie, an emerging digital health assistant

Telemedicine company - MD Live - has launched "Sophie", an artificial intelligence chatbot. Users connect with Sophie via the web to register for health services. In 2018 the aim is for Sophie to be able to successfully schedule appointments with a GP, undertake a triage function and recommend a virtual or a face to face GP visit depending on the symptoms. By increasing access to information and providing a forum to explore symptoms, users will be supported to make better choices about their treatment options and reduce demand on the health system.

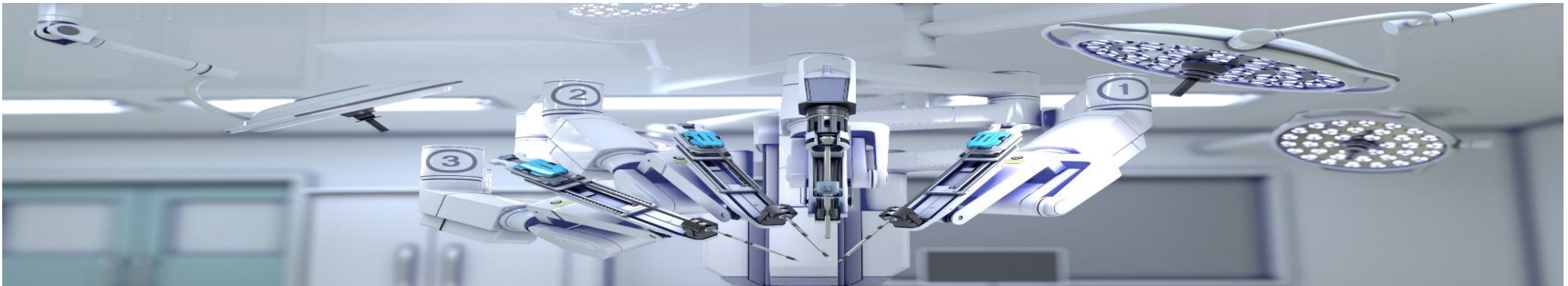
CareRooms - a start up company aiming to introduce Airbnb style stays for patients recovering from operations

CareRooms is seeking to trial an innovative new idea whereby patients recuperate from operations in local resident's homes in an attempt to reduce pressures on hospital discharge. "Hosts" could earn up to £50 per night for providing accommodation and basic care for hosting a patient. Conceptual at present, CareRooms is exploring the solution and seeking to secure an NHS provider to trial this approach.

Cera Care is using artificial intelligence to advise patients on health conditions

A London based social care start-up has developed an Uber-style platform to match carers and patients. It is aiming to use artificial intelligence to help carers and patients answer questions, with aspirations in the future to enhance this further by using the technology to help spot early symptoms of illness.

To date, Cera Care has raised £2.7m of funding and entered into a partnership with Barts Health NHS Trust and several commissioning groups across London to test its solution.



Technology driven solutions aimed at the health sector are on the rise. What technology solutions could Orbis invest in to add value to drive change in front line services?

3.4 Global Insights

SSON's State of the Shared Services Industry report cites a growing shift way from purely transactional shared services towards knowledge and "value add" services

The Shared Service and Outsourcing Network (SSON) recently undertook a survey including more than 400 shared services and outsourcing practitioners, representing centres from across the globe, to understand current trends.

The key headlines that emerged included:

- Most shared services operate with 2-5 ERP systems; convergence isn't a pre-requisite to success
- Two thirds of shared services have a multifunctional service model in place and almost 60% are founded on an in-house model of delivery
- There is a growing trend towards customer centric services - partnerships and collaborations are becoming more common as a way to improve performance
- The majority of shared service operations rely on continuous improvement and process excellence to drive performance. Digitalization is not yet recognised as a performance enabler on the whole, unlike in front line operations
- The majority of shared services operate on a break even basis, with just a quarter working for profit
- Typically there is a transition away from blanket 5% efficiency targets to instead measuring efficiency based on the ability to expand the scope and volume of service without increasing headcount
- The majority of respondents view process automation as a core shared service capability of the future
- There has been a marked shift away from purely transactional services towards knowledge "value add" services; 70% of respondents confirm that they are actively shifting in this direction.



Which value propositions to industry trends reinforce and what additional questions do these trends raise for Orbis?



EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

Ernst & Young LLP

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited.

Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

© 2016 Ernst & Young LLP. Published in the UK.
All Rights Reserved.

ey.com

**EAST SUSSEX COUNTY COUNCIL,
SURREY COUNTY COUNCIL AND
BRIGHTON & HOVE CITY COUNCIL**



ORBIS JOINT COMMITTEE

DATE: 19 JANUARY 2018

LEAD OFFICER: KEVIN FOSTER (CHIEF OPERATING OFFICER, EAST SUSSEX COUNTY COUNCIL), SHEILA LITTLE (DIRECTOR OF FINANCE, SURREY COUNTY COUNCIL) & DAVID KUENSSBERG (EXECUTIVE DIRECTOR FINANCE & RESOURCES, BRIGHTON & HOVE CITY COUNCIL)

SUBJECT: NOVEMBER BUDGET MONITORING

SUMMARY OF ISSUE:

To provide an update to the Joint Committee on the financial position of Orbis at the end of November 2017.

RECOMMENDATIONS:

The Joint Committee is asked to note:

1. Services forecast -£1.3m budget variance (underspend) at year end on the Joint Operating Budget.
2. Orbis forecast £1.5m spend on Orbis investment, including redundancies.
3. Total Orbis investment over the implementation period, excluding redundancies, is likely to reduce from £6.6m to £4.9m.
4. Services expect to achieve £4.7m efficiencies by year end.
5. The staffing and agency expenditure to 30 November 2017, as requested by SCC's Corporate Services Select Committee, together with the absence days lost by employee YTD.

REASON FOR RECOMMENDATIONS:

The Joint Committee is responsible for ensuring the sound financial management of the partnership, delivering the business plan and monitoring the investment.

DETAILS:

6. The 2017/18 Joint Operating Budget is £50.7m. The 2017/18 estimated spend on investment to achieve a successful partnership is £1.5m.

Orbis Joint Operating Budget

7. At 30 November 2017 services forecast a year end underspend of -£1.3m. Services expect to deliver £0.8m of early 2018/19 Joint Operating Budget efficiency savings, mainly from staffing; and £0.5m of one-off savings, largely due to a contribution from BHCC for management costs, before budgets are integrated next year. The year to date variance is -£1.7m and -£1.5m of this is staffing where services are holding vacancies ahead of delivering a further £3.9m of savings in 2018/19. Some services plan to spend their year to date underspend later in the year on one-off change programmes, activities that deliver the target savings.
8. The following tables show the full year forecast position of the Orbis Joint Operating Budget by service and the revenue contribution for each authority.

Table 1 Joint Operating Budget by service

| | Year to Date | | | Full Year | | |
|------------------------------|-----------------|-----------------|-------------------|-----------------|-------------------|-------------------|
| | Budget £000s | Actual £000s | Variance £000s | Budget £000s | Forecast £000s | Variance £000s |
| Business Operations | 3,511 | 3,340 | -171 | 5,267 | 5,267 | -0.1 |
| Finance | 6,045 | 5,924 | -121 | 9,068 | 8,717 | -350 |
| HR&OD | 3,117 | 2,897 | -220 | 4,675 | 4,585 | -90 |
| IT&D | 11,303 | 10,508 | -795 | 16,955 | 16,505 | -450 |
| Management | 1,356 | 1,151 | -205 | 2,034 | 1,625 | -410 |
| Procurement | 2,144 | 1,913 | -231 | 3,216 | 3,216 | -0 |
| Property | 6,294 | 6,301 | 7 | 9,441 | 9,441 | 0 |
| Total Net Expenditure | 33,770 | 32,035 | -1,735 | 50,655 | 49,355 | -1,300 |
| Subjective Analysis | | | | | | |
| Staffing | 36,787 | 35,259 | -1,529 | 55,181 | 54,256 | -925 |
| Non-Staffing | 4,370 | 4,399 | 29 | 6,554 | 6,282 | -272 |
| Total Expenditure | 41,157 | 39,658 | -1,499 | 61,735 | 60,538 | -1,197 |
| Income | -7,387 | -7,622 | -236 | -11,080 | -11,183 | -103 |
| Net Expenditure | 33,770 | 32,035 | -1,735 | 50,655 | 49,355 | -1,300 |
| Contributions | | | | | | |
| ESCC | 10,179 | 9,656 | -523 | 15,269 | 14,877 | -392 |
| SCC | 23,591 | 22,379 | -1,212 | 35,386 | 34,478 | -908 |
| Total | 33,770 | 32,035 | -1,735 | 50,655 | 49,355 | -1,300 |

Management costs include an adjustment to ensure that the method of calculating pension contributions is similar in both ESCC & SCC.

Orbis Investment

9. The original business plan estimated the amount of investment required to ensure the success of the partnership and deliver the efficiency savings, this was £7.6m, over 5 years from 2014/15. To date £2.5m has been approved to primarily fund IT investment, a programme team and external support, with £3.5m subject to further business cases. The remainder is to cover the cost of any redundancies. The partnership is responsible for ensuring this is effectively managed and as a result it will be continually monitored and reported to the Orbis Leadership Team monthly and the Joint Committee quarterly.
10. Following a recent review the estimated investment, excluding redundancies, is £1.7m less than originally anticipated in the business plan, reducing from £6.6m to £4.9m. This is the second year of the three year investment plan as set out in the Orbis business plan. The £1.7m reduction is due to the following reasons:
 - The core IT element, mainly for connectivity, will complete in early 2018/19. This has partly been funded from the Orbis IT&D budget and partly from investment; the investment is likely to be £1.4m less than originally estimated;
 - £0.4m was included for contingencies, however as the programme is in its second year and the contingency has not been needed it can be removed;
 - As the likely investment should not increase due to BHCC joining the partnership and BHCC will fund their share (-£0.5m), the contribution from ESCC and SCC is reduced by £0.5m.
11. The 2017/18 approved budgets for Orbis Investment, excluding redundancies, totals £1m. This is primarily for the Orbis Programme Team, external advice and core IT. The current forecast spend on this is £0.8m. The variance to budget is mainly due to additional contributions from BHCC to joint project costs and vacancies in the programme team.
12. Further funding is available for investment which is subject to business case approval before proceeding.
13. Redundancies are approved by the employing authority subject to a robust business case. The redundancy levels are £0.3m higher than originally estimated, however these are partly delivering the early savings.

14. Table 2: 2017/18 Orbis Investment

| Approved Orbis Investment | Plan | Estimate | FY Var |
|------------------------------------|-------------|-----------------|---------------|
| 2017/18 | £000 | £000 | £000 |
| Programme Level | 160 | 151 | -9 |
| Enabling Programme Support | 266 | 185 | -81 |
| Total Programme Expenditure | 426 | 337 | -90 |
| External Advice | 350 | 350 | 0 |
| Core IT | 264 | 264 | 0 |
| Contribution from BHCC | -67 | -137 | -70 |
| Total Approved Investment | 973 | 813 | -160 |
| Redundancy | 400 | 686 | 286 |

Efficiencies

15. The Joint Operating Budget includes challenging efficiency savings and increased income targets of £3.9m in 2017/18. Services are putting plans in place to achieve a further £3.9m in 2018/19, as detailed in the Orbis Business Plan and 2017/18 Orbis budget report.
16. Services are on track to deliver the efficiencies and, as reported above, £0.8m of the 2018/19 Orbis Joint Operating Budget savings are likely to be delivered early as reflected in the table below.

Table 3: 2017/18 Efficiencies

| Efficiency Saving | Plan | Forecast | Forecast |
|--------------------------|----------------|-----------------|-----------------|
| | 2017/18 | 2017/18 | RAG |
| | £000 | £000 | |
| Business | -500 | -500 | B |
| Finance | -525 | -755 | B |
| HR&OD | -400 | -490 | B |
| IT&D | -1,099 | -1,549 | B |
| Management | -100 | -100 | B |
| Procurement | -345 | -345 | B |
| Property | -906 | -906 | B |
| | -3,875 | -4,645 | |

(B) Blue = already achieved)

Staffing

17. The Orbis Joint Committee is responsible for managing all aspects of the Joint Operating Budget, including staffing. The staffing budget is set on the estimated establishment needed to deliver services, after deducting costs for an estimated level of vacancies.
18. As services are holding staff vacancies to deliver future savings, there is a year to date underspend on staffing of -£1.5m, leading to the full year variance of -£0.9m, some services plan to use the year to date variance to fund one-off change programmes. The following table

provides a breakdown of the staffing year to date variance for each service.

Table 4: Year to date and full year staffing variance

| Staffing | Year to Date | | | Full Year | | |
|-----------------------------|----------------|----------------|------------------|----------------|------------------|------------------|
| | Budget £000 | Actual £000 | Variance £000 | Budget £000 | Forecast £000 | Variance £000 |
| Business Operations | 6,489 | 6,432 | -56 | 9,733 | 9,733 | -0 |
| Finance | 6,774 | 6,324 | -450 | 10,161 | 9,855 | -306 |
| HR&OD | 3,063 | 3,028 | -35 | 4,595 | 4,545 | -50 |
| IT&D | 11,546 | 10,927 | -619 | 17,319 | 16,869 | -450 |
| Management | 299 | 230 | -69 | 449 | 331 | -118 |
| Procurement | 2,042 | 1,906 | -136 | 3,063 | 3,063 | -0 |
| Property | 6,574 | 6,411 | -163 | 9,861 | 9,861 | -0 |
| Total Net Expenditur | 36,787 | 35,259 | -1,529 | 55,181 | 54,256 | -925 |

19. As requested by SCC's Corporate Services Select Committee the Joint Committee is asked to review Orbis spend on Agency staff. The expenditure to date on agency staff is 3% of total staffing spend.

Table 5: Year to date agency non-agency staffing expenditure

| Agency and non Agency spend | Non | | Total |
|--------------------------------|-----------------|-----------------------------|--------------------------|
| | Agency £000s | Agency Staffing £000s | Staffing YTD £000s |
| Business Operations | 158 | 6,274 | 6,432 |
| Finance | 214 | 6,110 | 6,324 |
| HR&OD | 24 | 3,004 | 3,028 |
| IT&D | 467 | 10,460 | 10,927 |
| Management | 3 | 228 | 230 |
| Procurement | 145 | 1,761 | 1,906 |
| Property | 88 | 6,323 | 6,411 |
| Total Net Expenditur | 1,098 | 34,160 | 35,259 |

20. Table 6 contains the Orbis wide workforce information related to Staff absence Levels for the first two quarters of this financial year (April to September 2017) as requested at the October Joint Committee meeting.

Table 6: Absence days per employee

| PERIOD | WORKING DAYS LOST BY EMPLOYEE | | | |
|-------------------------|-------------------------------|--------|--------|--------|
| | Orbis | SCC | ESCC | BHCC |
| April-July 2017 | 1.38 | 1.27 | 0.74 | 2.02 |
| Sept-Nov 2017 | 1.21 | 1.12 | 1.00 | 1.56 |
| Full Year Projection | 5-6 days | 5 days | 4 days | 7 days |

| |
|----------------------------------|
| <u>WHAT HAPPENS NEXT:</u> |
|----------------------------------|

21. The Orbis Leadership Team will review the position each month and report this to the Joint Committee, it will brief both members in the months the committee does not have a meeting.

Contact Officers:

Louise Lawson – Senior Principle Accountant

Consulted:

Kevin Foster – Chief Operating Officer

Sheila Little – Director of Finance

David Kuenssberg - Executive Director of Finance & Resources

Adrian Stockbridge – Orbis Programme Manager

Annexes:

n/a

Sources/background papers: None

**EAST SUSSEX COUNTY COUNCIL,
SURREY COUNTY COUNCIL AND
BRIGHTON & HOVE CITY COUNCIL**



ORBIS JOINT COMMITTEE

DATE: 19 JANUARY 2018

LEAD OFFICER: KEVIN FOSTER (CHIEF OPERATING OFFICER, EAST SUSSEX COUNTY COUNCIL), SHEILA LITTLE (DIRECTOR OF FINANCE, SURREY COUNTY COUNCIL) & DAVID KUENSSBERG (EXECUTIVE DIRECTOR FINANCE & RESOURCES, BRIGHTON & HOVE CITY COUNCIL)

SUBJECT: ORBIS OPERATING BUDGET 2018/19

SUMMARY OF ISSUE:

To provide an update to the Joint Committee on the 2018/19 Orbis Operating budget, in order for the Joint Committee to recommend an estimate of the 2018/19 contributions to be made by Brighton & Hove City Council (BHCC), East Sussex County Council (ESCC) and Surrey County Council (SCC).

RECOMMENDATIONS:

The Joint Committee is asked to:

1. Recommend an estimated level of 2018/19 contributions to the Orbis Joint Operating Budget to BHCC, ESCC and SCC Cabinet, noting that this may alter following the review outlined in the report.
2. Approve the proposed transfers between the operating budget and the ESCC and SCC managed on behalf of budgets.

REASON FOR RECOMMENDATIONS:

The Joint Committee is responsible for the effective management of the Orbis Joint Operating Budget.

DETAILS:

3. ESCC and SCC contribute to the 2017/18 Orbis Joint Operating Budget and in proportion to their service delivery requirements, currently 30% and 70% respectively. The 2017/18 Orbis Joint Operating Budget is £50.6m.
4. From 1 April 2018 the Orbis Joint Operating Budget will include the service delivery requirements of BHCC. The latest estimate of the 2017/18 budget, including BHCC, is £65.3m. The contributions from

each authority, based upon their historical budgets is likely to be BHCC 21%, ESCC 24% and SCC 55%.

2017/18 Budget

5. As part of the financial due diligence for the extended partnership the current BHCC service delivery requirements, based on budgets, are being identified. This exercise is not complete; however the latest estimate is that the available budget for the BHCC services to be delivered by Orbis is £13.5m.
6. In accordance with the process set out in the IAA the service delivery requirements of ESCC and SCC are under review. This work is ongoing and analyses whether there have been significant changes in service delivery. In addition, it has become apparent that some Joint Operating Budget costs should now be included or excluded from the budget when using the IAA principles. For example ESCC ASC procurement is transferring from ASC, therefore both the ESCC and SCC ASC procurement functions should transfer into Orbis as it is no longer a single SCC activity. Annex 1 lists all of the costs that should be included or excluded from the joint budget, in line with agreed IAA principles.
7. The Committee is asked to approve these adjustments which increase the Orbis Joint Operating Budget by £1.2m and changes the ESCC contribution from £15.3m to £15.6m and the SCC contribution from £35.4m to £36.2m. This does not change the current 30/70 ratio; nor impacts on the affordability for either authority as the budgets for these costs are in their medium term financial plans classified as sovereign budget. The Committee is advised to recommend this level of contributions to both ESCC and SCC Cabinets.
8. Table 1 shows the estimated adjusted 2017/18 budget by service, including the transfers and the BHCC budget.

Table 1: 2017/18 estimated Orbis budget by service

| | Base | BHCC Transfers | | Revised |
|---------------------|---------------|----------------|--------------|---------------|
| | £000 | £000 | £000 | £000 |
| Business Operations | 5,214 | 2,015 | -153 | 7,076 |
| Finance | 9,033 | 2,359 | 114 | 11,506 |
| HR&OD | 4,644 | 1,846 | 3 | 6,493 |
| IT&D | 16,883 | 3,758 | 47 | 20,688 |
| Management | 2,283 | 184 | 0 | 2,467 |
| Procurement | 3,199 | 785 | 1,153 | 5,137 |
| Property | 9,399 | 2,535 | 36 | 11,970 |
| Total | 50,655 | 13,483 | 1,200 | 65,338 |

Management costs include an adjustment to ensure that the cost of pension contributions is similar in each authority

The Base budget is MTFP plus permanent virements, e.g. pension adjustment

9. The 2017/18 baseline forms the basis of the 2018/19 budget, for the purposes of this report it should be noted that this baseline is not yet

finalised and agreed. Any changes and consequent changes to the 2018/19 budget and contribution will be reported to the Joint Committee in April.

2018/19 Budget Review

Savings

10. In January 2017 the Joint Committee recommended 2018/19 savings of £3.9m. These were as set out in the Orbis business plan and subsequent review, in which 2018/19 was to be the final year, delivering ongoing savings of £8.6m per annum. This level of saving is 17% of the net 2015/16 budget. Table 2 shows the savings for the existing partnership:

11. Table 2: 2016-19 savings by service for the existing partnership.

| | 2016/17 | 2017/18 | 2018/19 | Total |
|--------------|----------------|----------------|----------------|--------------|
| | £000 | £000 | £000 | £000 |
| Buisness Ops | 581 | 500 | 125 | 1,206 |
| Finance | 121 | 525 | 994 | 1,640 |
| HR&OD | 85 | 400 | 625 | 1,110 |
| IT&D | 85 | 1,099 | 1,258 | 2,442 |
| Management | 0 | 100 | 0 | 100 |
| Procurement | -10 | 345 | 15 | 350 |
| Property | 56 | 906 | 834 | 1,796 |
| Total | 918 | 3,875 | 3,851 | 8,644 |

12. Following the expansion of the partnership to include BHCC the recommended 2018/19 savings are estimated to increase to £4.6m. This follows the review of BHCC savings which will be delivered through integration. The proposed savings are shown in table 3.

Table 3: 2018/19 proposed Orbis partnership savings for the expanded partnership

| | 2018/19 |
|---------------------|----------------|
| | £000 |
| Business Operations | 197 |
| Finance | 1,131 |
| HR & OD | 774 |
| IT & Digital | 1,552 |
| Management | 0 |
| Procurement | 56 |
| Property | 901 |
| Total | 4,611 |

13. Although these savings are challenging, services are putting plans in place to deliver them whilst mitigating their impact. £0.8m of the 2018/19 Orbis Operating Budget savings are already being delivered in 2017/18 as highlighted in the budget monitoring report. There is a

risk to these savings if either council's financial planning decisions or transformation plans require increased support from Orbis.

14. The Orbis Leadership Team (OLT) recommends that the Joint Operating Budget savings should have a similar impact on each authority. This means that the savings would not alter the agreed contribution ratios.
15. Orbis plans to deliver the 2018/19 savings by restructures. The savings are predominantly based on reduction of headcount, so the restructuring within services will help to remove duplication and ensure that teams are integrated in order to achieve these reductions.
16. As stated within the Orbis Business Plan the intention is to maintain or improve the level of service provision. This will mean services may be delivered in a different way, for example using digital or self-sufficiency methods. The Joint Committee will continue to be sighted on design decisions being taken within each service area through the regular updates provided at Joint Committee meetings.

Budget Proposals

17. The proposed 2018/19 budget is £61.6m. This includes savings of £4.6m, inflationary pressures of £0.8m and growth of £0.1m. This assumes that pay inflation rates are 1% and that non pay inflation is on average 2%, based on each authority's planning assumptions. The budget movements are shown in table 4.

Table 4: Orbis Operating Budget Movements

| | £000 |
|------------------------------------|---------------|
| 2017/18 Current Budget | 50,655 |
| BHCC Estimated Budget | 13,483 |
| Transfers from MoBo ¹ | 1,200 |
| Revised 2017/18 Budget | 65,338 |
| Pressures and changes | |
| General inflation | 201 |
| Pay inflation | 713 |
| Income inflation | -224 |
| Total inflation | 690 |
| IT Growth ² | 140 |
| Total Pressures and changes | 830 |
| Savings | -4,611 |
| 2018/19 Budget | 61,557 |
| BHCC³ | 12,703 |
| ESCC³ | 14,736 |
| SCC³ | 34,118 |
| | 61,557 |

1. In year adjustments between the managed budgets & the Joint budget, in line with IAA principles (see existing budget section above)
2. Increased connectivity costs of the partnership
3. Based on historical budget levels and subject to revision

18. The proposed estimated 2018/19 budget for each service within the Joint Operating Budget is shown in table 5.

Table 5: Orbis Operating Budget by Service and type of expenditure

| | Staff £000 | Non-staff £000 | Income £000 | Net £000 |
|---------------------|---------------|-------------------|----------------|---------------|
| Business Operations | 11,531 | 1,563 | -6,157 | 6,936 |
| Finance | 11,491 | 709 | -1,711 | 10,490 |
| HR&OD | 6,210 | 1,039 | -1,459 | 5,791 |
| IT&D | 20,547 | 1,753 | -2,810 | 19,490 |
| Management | 564 | 1,956 | 0 | 2,520 |
| Procurement | 5,330 | 25 | -223 | 5,133 |
| Property | 11,690 | 1,329 | -1,820 | 11,198 |
| Total | 67,364 | 8,373 | -14,180 | 61,557 |

Management costs include an adjustment to ensure that the cost of pension contributions is similar in each authority

WHAT HAPPENS NEXT:

19. The final proposed contributions will be reported to the Joint Committee in April, in the meantime the sovereign authorities will be informed of the estimated recommended contributions as part of their financial planning.

Contact Officers:

Louise Lawson – Senior Principle Accountant

Consulted:

Kevin Foster – Chief Operating Officer

Sheila Little – Director of Finance

David Kuenssberg - Executive Director of Finance & Resources

Adrian Stockbridge – Orbis Programme Manager

Annexes:

Annex 1 – Transfers from Managed on Behalf of Budgets (MoBo)

Sources/background papers:

- None

This page is intentionally left blank

Annex 1: Proposed transfer of budget from ESCC & SCC Managed Budgets

| ESCC/SCC | Service | Description | 2017/18 Adjustment | | | 2018/19 FY adjustments | | | Notes |
|----------|-------------|---|--------------------|--------------|--------------|------------------------|---------------|---------------|-------|
| | | | Joint | ESCC | SCC | Joint | ESCC | SCC | |
| | | | Budget £000 | MoBo £000 | MoBo £000 | Budget £000 | MoBo £000 | MoBo £000 | |
| SCC | Finance | Finance staff funded by Public Health & ASC | | | | 114.0 | | -114.0 | 1 |
| SCC | HR&OD | Devolved training budget for Audit | | | | 2.6 | | -2.6 | 2 |
| ESCC | IT&D | Fire & Pension income for SAP support | -47.8 | 47.8 | | -47.8 | 47.8 | | 3 |
| ESCC | IT&D | ASC contribution to Controcc Support post | 17.5 | -17.5 | | 19.5 | -19.5 | | 4 |
| SCC | IT&D | Help desk equipment | 38.0 | | -38.0 | 38.0 | | -38.0 | 5 |
| SCC | IT&D | Technical Delivery - Hire of Vehicles | 24.6 | | -24.6 | 24.6 | | -24.6 | 6 |
| ESCC | IT&D | IT & Digital mobile phones | | | | 12.0 | -12.0 | | 7 |
| ESCC | IT&D | IT & Digital childcare voucher fees | | | | 0.4 | -0.4 | | 7 |
| ESCC | IT&D | IT & Digital childcare VDU eye tests | | | | 0.2 | -0.2 | | 7 |
| SCC | Management | SCC training courses - 1 year only | -60.0 | | 60.0 | 0.0 | 0.0 | | 8 |
| ESCC | Ops | Staffing budget for direct payments | 102.9 | -102.9 | | 102.9 | -102.9 | | 9 |
| SCC | Ops | Staffing budget to ASC | -64.0 | | 64.0 | -255.9 | | 255.9 | 11 |
| ESCC&SCC | Procurement | ASC Procurement | | | | 1,153.3 | -285.3 | -868.0 | 11 |
| SCC | Property | Highways Post | 15.1 | | -15.1 | 36.2 | | -36.2 | 12 |
| | | | 26.3 | -72.6 | 46.3 | 1,200.0 | -372.5 | -827.5 | |

Notes - reason for transfer

- | | |
|--|--|
| 1 To include all finance service staff in Orbis Finance | 7 Consistent treatment across Orbis |
| 2 Previously held in Strategy & Performance, where service was prior to orbis | 8 Continue sovereign methodology for charging for training |
| 3 Correction to Orbis baseline budget. Recovery of salaries & Orbis application costs was left in MoBo | 9 Transfer from ESCC ASC |
| 4 Transfer from ASC | 10 Transfer to ASC |
| 5 Helpdesk is Orbis activity | 11 No longer single activity |
| 6 All Technical Delivery staff in Orbis | 12 Transfer from Highways |

This page is intentionally left blank

**EAST SUSSEX COUNTY COUNCIL,
SURREY COUNTY COUNCIL AND
BRIGHTON & HOVE CITY COUNCIL**

ORBIS JOINT COMMITTEE



DATE: 19 JANUARY 2018

LEAD OFFICER: KEVIN FOSTER (CHIEF OPERATING OFFICER, EAST SUSSEX COUNTY COUNCIL), SHEILA LITTLE (DIRECTOR OF FINANCE, SURREY COUNTY COUNCIL) & DAVID KUENSSBERG (EXECUTIVE DIRECTOR FINANCE & RESOURCES, BRIGHTON & HOVE CITY COUNCIL)

SUBJECT: BUSINESS PLAN

SUMMARY OF ISSUE:

A three year business plan for Orbis is now complete following a review of work in progress by the Joint Committee in October 2017.

RECOMMENDATIONS:

It is recommended that:

1. The Joint Committee reviews and approves the three year (2018/19-2020/21) business plan.

REASON FOR RECOMMENDATIONS:

To ensure the Joint Committee is fully briefed on progress within the partnership and has the opportunity to challenge, question and influence the future strategic direction of Orbis.

Approval of the business plan is necessary, in order for the partnership to continue integration of services to deliver the benefits specified.

DETAILS:

Background

1. The original Orbis business plan that was approved by the Cabinet(s) of East Sussex (ESCC) and Surrey (SCC) Councils in October 2015 covered a 3 year period commencing in April 2016. This was based around the formation of the partnership and the benefits achieved through integrating services, management layering and reduction in duplication.
2. Orbis has made significant progress against the original business plan targets agreed by ESCC and SCC Cabinets in 2015. Orbis is on track to fully integrate services and will have delivered savings of approximately £9m to its partner councils by April 2019. This

represents a 17% average reduction in costs compared to 2015/16 net budgets

3. A revised business plan is being developed in recognition of the impact of Brighton & Hove City Council (BHCC) becoming Orbis' third founding partner. The revised business plan will cover a 3 year period commencing in April 2018 to March 2021.

Business Plan

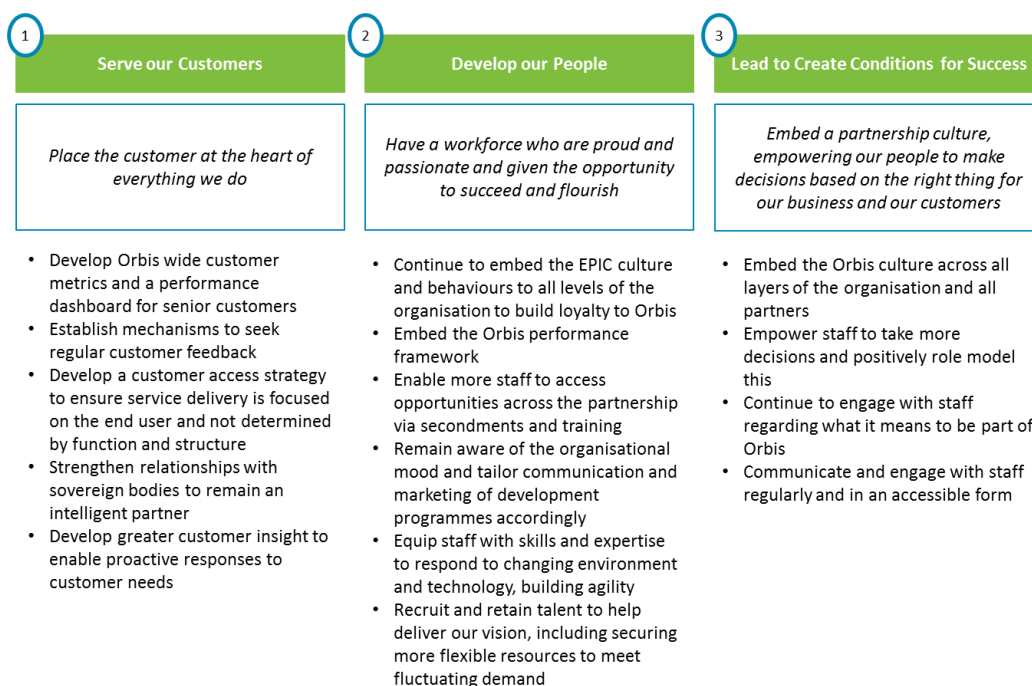
4. The Joint Committee reviewed a number of component parts of the business plan in October 2017 and the version being presented as part of this report is effectively complete.
5. Together with the full version of the business plan (Annex 1) is a number of distilled one page overview cards that contain the key information. These cards have been designed with Orbis staff in mind to enable a simple, easy to understand approach when sharing information around the business plan. Annex 2 provides a copy of the cards
6. A full communications and engagement strategy is being developed that will utilise a number of different mechanisms to share and disseminate the business plan to staff. These will include videos, interactive social media channels together with face to face briefings from managers.

Vision

7. The vision for Orbis is to continue to be customer focused, flexible and responsive. Orbis also needs to continue to provide good value for money for the three partners and be sustainable for the future.
8. The developments of the vision considered feedback from the Chief Executives of the three Councils which recommended the focus for Orbis should be a deeper dive within the existing geography, looking at the opportunities that exist in areas such as Health/Social Care integration rather than actively seeking to attract another large external partner.
9. Orbis has developed a growth strategy and has taken an opportunistic approach to commercial opportunities to date. It is expected this approach will continue and any opportunities to develop and grow the partnership will be appropriately considered.
10. People and culture have been a key focus for Orbis and this will continue in order to build a workforce equipped with the skills and capabilities required to deliver our aspirations.

Key Priorities

11. The key priorities for Orbis during the next 3 years are detailed in the table below:



51

Benefits/investment

12. Orbis has already delivered significant savings to the Councils. The savings for 2018/19 are determined through the original business plan with BHCC savings also included.
13. Work has been progressing to develop a revised baseline for the partnership. This will determine the contribution ratios for each of the three partners and the contribution ratios are currently projected to be;
 - a. Surrey 55%
 - b. East Sussex 24%
 - c. Brighton & Hove 21%

The contribution ratios dictate the level of investment each partner will contribute to Orbis together with the benefits each partner will receive.

14. The savings we need to deliver in 2018/19 have been confirmed by our sovereign partners and each Orbis service has plans in place to deliver these. The savings we are delivering in 2018/19 formed part of the original Orbis business plan, so the figure below is the total figure and is not additive. Local Government financing is facing particular uncertainty and change and therefore the 3 Sovereign Partners continue to review their service and financial strategies and plans for 2019/20 – 2020/21 and have not defined detailed savings targets at this stage. This is to ensure the target setting is done with the best insight and information available to inform what would need to be detailed planning; consultation and management.
15. We have therefore modelled what further savings targets would translate into within the range of 2-8%. Modelled below is the target at 5% over 19/20 – 2020/21. We recognise that this will need to remain

under review as the sovereign partners develop their medium term financial plans during 2018/19 for the period 2019/20 onwards.

Table 1: Savings and investment for the next three years

| | 18/19 £000 | 19/20 £000 | 20/21 £000 | Total |
|--------------------|---------------|---------------|---------------|-------|
| Savings | 4,500 | 1,800 | 1,100 | 7,400 |
| Investment | 1,547 | 500 | 500 | 2,547 |
| Total Net Benefits | 2,953 | 1,300 | 600 | 4,853 |

16. The investment required is predominately for technology, to enable a digital approach and ultimately integrate systems and processes, the IT portion accounts for £2m. The remainder is for a small programme team to oversee and manage the Orbis wide plan of integration and ensure that a coordinated approach is taken across all services.
17. It is recognised that the benefits of integration will have been realised by April 2019 and therefore any additional savings will start to have an impact on the quality and level of service provision.
18. Workshops have been held with each service in Orbis to identify “areas of search”. These are potential areas to focus on to deliver savings in the financial years 2019/20 and 2020/21
19. In addition to the financial benefits expected from the partnership, there are non-financial benefits that Orbis will aim to achieve over the next 3 years, these include:
 - a) Improved client management and customer experience through process reengineering, better use of technologies and excellent people management;
 - b) Better insight for decision making and investment due to improved systems and information management;
 - c) Increased staff motivation and attraction of top talent through Orbis-wide people engagement and development work;
 - d) Incremental growth by attracting additional partners and customers and adding additional services to the Orbis offering.

Performance Framework (dashboards)

20. A performance framework has been developed for Orbis as it is recognised it is vital for the partner councils and the Orbis Leadership Team to have visibility of how Orbis is performing.
21. The performance framework focuses on three key elements:
 - Internal Orbis performance measures: financial management, risk management, people management

- Progress against aspirations set out in the revised business plan
- Value delivered to the respective councils (i.e number of schools places delivered)

An overview of the this framework can be found in Annex 3

22. One key challenge in delivering Orbis wide performance monitoring is the inconsistency and availability of data across the three councils. The partners use different systems and hold data in different formats, therefore a pragmatic approach is being taken in developing a partnership wide performance framework.
23. A performance dashboard is currently being developed to enable performance measures to be analysed and made visible.

CONSULTATION:

24. The approach taken to develop the revised business plan has been collaborative; co-designed with the Orbis Leadership Team with input from the Orbis leadership community.
25. Consultation has included:-
 - a. Trade unions;
 - b. Orbis Joint Committee and individually with Lead members;
 - c. Orbis Leadership community;
 - d. Chief Executives;
 - e. Scrutiny committees of ESCC and SCC.
26. Trade Unions continue to be supportive of the approach being taken by Orbis and understand the alternative options (i.e. outsourcing) would have a greater impact on staff.

RISK MANAGEMENT AND IMPLICATIONS:

27. A number of risks have been identified and can be found in section 3, page 29 of the business plan.

Financial and Value for Money Implications

28. The original business plan approved by Cabinets in ESCC and SCC in October set out savings targets of £8.8m by March 2019. Orbis has been successful in not only achieving the targets to date but exceeding them.
29. One-off investment requirement of £2m (excluding redundancy) is also included in the business plan. Each organisation will determine separately how to fund this investment and whether payback is required ahead of showing efficiencies in their budgets.
30. There is an expectation that redundancy costs will also be incurred (whether through a voluntary severance route or as an outcome of restructuring activity).

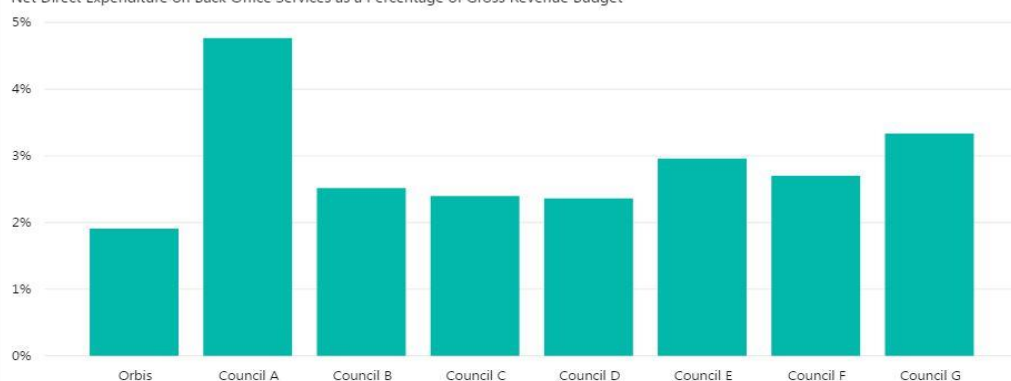
31. A recent benchmarking exercise undertaken through the Society Of County Treasurers (SCT) had responses from seven other Councils, one of the areas that we looked at was the proportion of spend on back office services against the total Gross Revenue budget see table 2 for details.

Table 2: proportion of spend on back office services:

Expenditure vs total Gross Budget, excluding Revenue & Benefits.
No Total Gross Budget available for Council H.

| Anon title | Gross Revenue Budget | Total Net Direct Expenditure (excl. Revenue & Benefits) | % of Gross Revenue Budget Spent |
|------------|----------------------|---|---------------------------------|
| Orbis | £3,211,000,000.00 | £61,287,000.00 | 1.9 % |
| Council A | £381,500,000.00 | £18,188,000.00 | 4.8 % |
| Council B | £683,000,000.00 | £17,190,101.06 | 2.5 % |
| Council C | £1,853,760,000.00 | £44,440,785.34 | 2.4 % |
| Council D | £799,764,143.00 | £18,892,624.00 | 2.4 % |
| Council E | £367,000,000.00 | £10,862,000.00 | 3.0 % |
| Council F | £904,131,000.00 | £24,426,182.00 | 2.7 % |
| Council G | £922,561,000.00 | £30,769,620.00 | 3.3 % |

Net Direct Expenditure on Back Office Services as a Percentage of Gross Revenue Budget



32. In percentage terms, Orbis has the lowest net direct expenditure on back office services as a proportion of gross revenue budget against the comparator group; 1.9% against an average of 2.9%.
33. It is important to note that each organisation has a slightly different setup in relation to back office services and therefore the data is not completely consistent. It does provide a high level indication of relative measures but there are significant differences around the functions included and in some cases certain elements may be outsourced or delivered externally.

Legal Implications

34. Orbis Joint Committee has delegated authority for the oversight of joint service delivery through the Orbis Partnership and the approval and monitoring of the Orbis business plan.
35. An interim Inter Authority Agreement is currently in place to cover the financial year 2017/18 with a full Inter Authority Agreement to be agreed and signed by all three Councils in April 2018, this will coincide with the launch of the business plan.

Equalities and Diversity

36. The Orbis Leadership Team (OLT) is accountable for ensuring that full Equality Impacts Assessments (EIAs) are completed the appropriate stages of integration (i.e. as part of a consultation process when restructuring)

WHAT HAPPENS NEXT:

37. Following approval by the Joint Committee the Business Plan will be implemented from 1st April 2018, together with joint budgets and a full Inter Authority Agreement.
38. A number of engagement activities are being developed to share the plan with staff and these will include face to face briefings, newsletters, online blogs and videos to make the content accessible and understandable.
39. Savings identified will be incorporated into the financial planning process for each of the councils.

Contact Officers:

Adrian Stockbridge – Orbis Programme Manager

Consulted:

Kevin Foster – Chief Operating Officer

Sheila Little – Director of Finance

David Kuenssberg - Executive Director of Finance & Resources

Annexes:

Annex 1 – Full Business Plan

Annex 2 – Business Plan reference cards

Annex 3 – Performance Framework

Sources/background papers:

- All background papers used in the writing of the report should be listed, as required by the Local Government (Access to Information) Act 1985.
- A copy of any background papers which have not previously been published should be supplied to Democratic Services with your draft report.

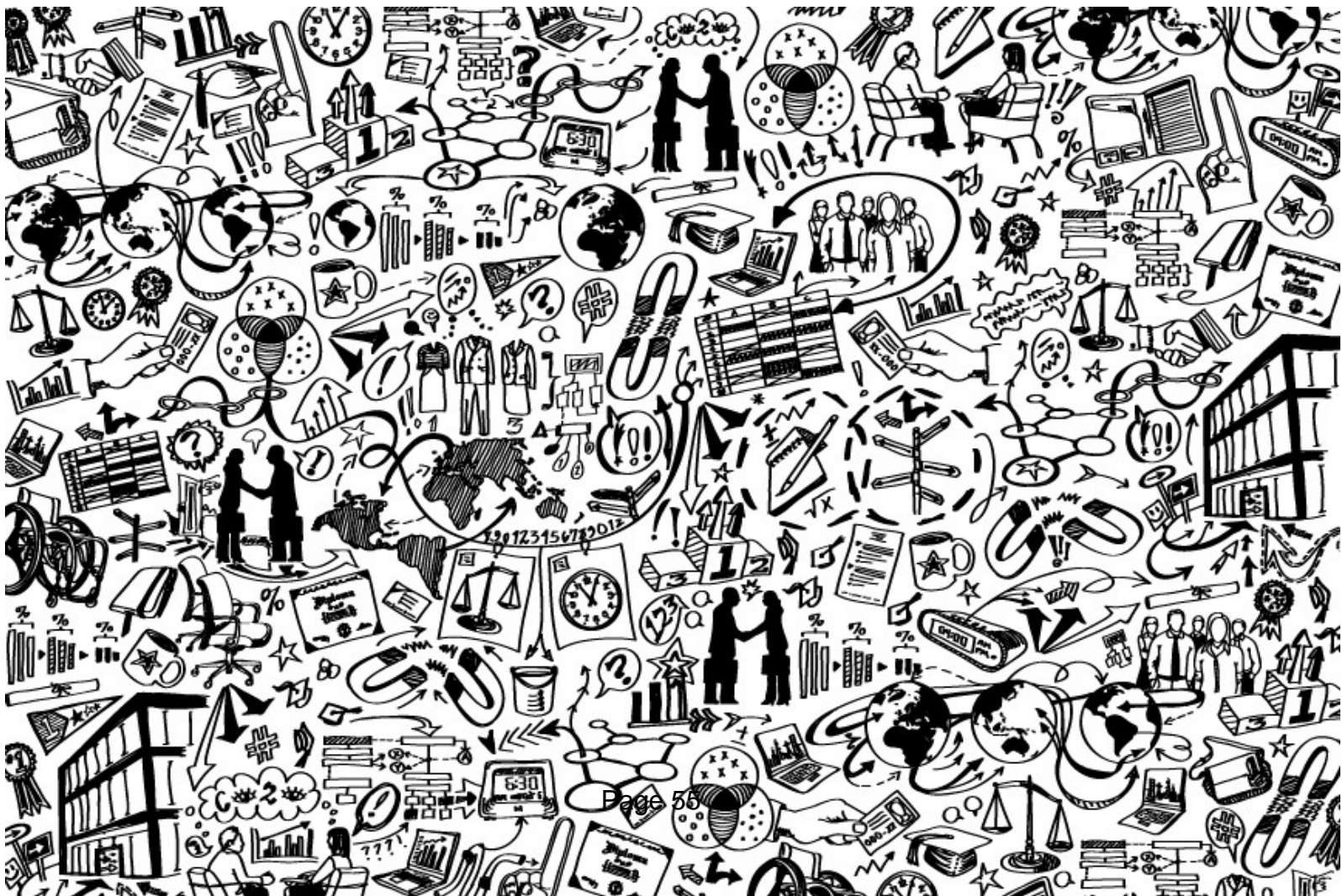


the compelling alternative

2021 Business Plan

| ID | Section | Page |
|----|--|------|
| 0 | Executive Summary | 2 |
| 1 | Where we are now? | 4 |
| | Purpose of this document | 5 |
| | Introduction | 6 |
| | Our partner context | 7 |
| | The Orbis way of working | 8 |
| | Our journey to date | 9 |
| | Celebrating our achievements | 12 |
| 2 | Where do we want to be by 2021? | 13 |
| | Our vision | 14 |
| | Orbis principles | 15 |
| | Our priorities | 16 |
| | The opportunities ahead | 18 |
| | The challenges ahead | 19 |
| | Customer focused services | 20 |
| | What does this mean for our staff? | 21 |
| 3 | How will we get there | 22 |
| | Investing in our people | 23 |
| | Benefits | 24 |
| | Investment | 26 |
| | Structuring ourselves to succeed | 27 |
| | Risks | 29 |
| | Appendix 1 – Key risks and mitigations | 30 |

Executive Summary



Orbis 2021 sets out what we will do during the next stage of our partnership journey. Building on what we have achieved together so far, we will continue to strive to be the “compelling alternative” for our partners and deliver high quality, customer focused support services. Our public sector ethos will drive our service transformation to be as efficient and effective as we can be to deliver value to the public purse.

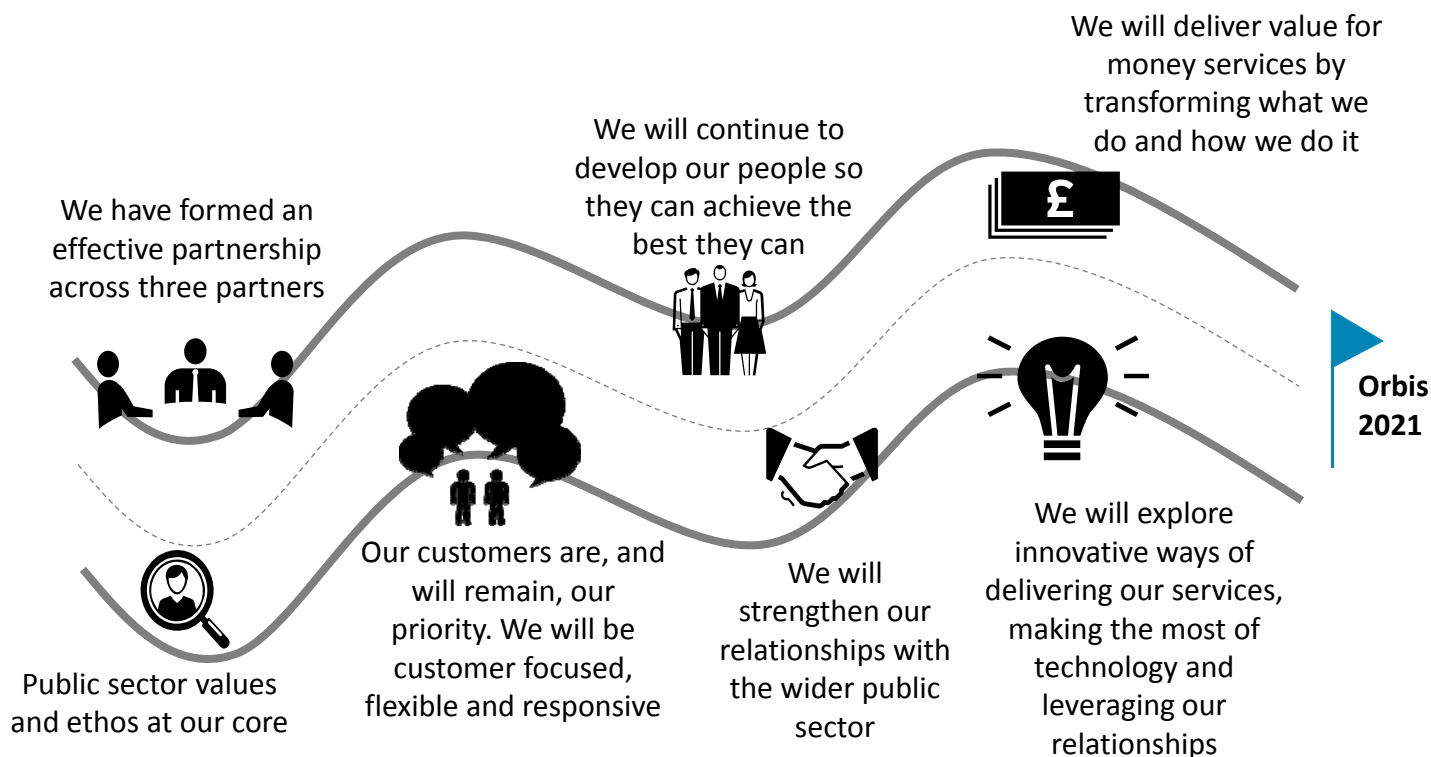
What do we want to achieve by 2021?

Our strong public sector ethos continues to be at our core.

What matters most to us is providing a high quality service to our customers and one that offers value for money. Our public sector ethos and desire to be the “compelling alternative” will differentiate us from other back office services.

We want to add value to our sovereign partners and continue to serve our customers effectively. We will be customer focused, flexible and responsive on this journey. Our services will be as effective as possible to meet the needs of our customers and we will strengthen our relationships with our wider public sector partners in order to do so.

We will invest most energy into serving our customers, developing our people and creating the conditions to succeed. To enable this we will get better at knowing our business, make more use of digital solutions, manage our risks and work as efficiently and effectively as we can.



How will we do this?

Develop our people

We will invest in our people to build skills, expertise and knowledge. Our people will be empowered to make decisions and shape the future delivery of our services

Cement and grow our service offer

Strengthening what we do, we will look to grow our business to generate income. The extent of our growth ambition and the nature of this will vary for each service

Transform the way we work together

We will instil a more commercial mind-set in how we work, maximise opportunities to use digital technologies and explore different models of delivery to be as efficient as we can

Structure ourselves to succeed

We will ensure we have the tools and frameworks in place to deliver what we have set out to do and monitor the progress we are making along the way

1. Where are we now?



1.1 Purpose of this document

A

Background

In 2015, East Sussex and Surrey County Council's Cabinets approved the Orbis Business Plan for 2015 – 2018. This outlined the vision for the partnership and provided strategic direction to the transformation of services. Following the addition of Brighton and Hove to the partnership the business plan has been reviewed, to set the direction to 2021.

B

Purpose of this document

The Orbis 2021 Business Plan reflects on the achievements we have made as a partnership so far and the context in which we operate, outlines our vision and priorities for the future and how we will work together to realise this ambition. This business plan will provide a strategic framework under which we will operate and provide visibility to our sovereign partners, staff and customers regarding how we will develop our partnership further up to 2021.

This document includes three sections:

1.

Where are we now?



Outlines our current operating context and reflects on what we have achieved so far and what we could do better

2.

Where do we want to be by 2021?



Sets out our vision for 2021 and what we will prioritise to get there

3.

How will we get there?



Summarises how we will progress the next stage of our partnership journey

C

How we intend to use this document

It is important that our staff, customers and partners understand what we want to achieve and how we intend to do this. However, we recognise that our diverse stakeholders will be interested in different elements of our business plan and have varying levels of background about what we do. We have therefore developed a Communication and Engagement plan that will support us to disseminate the key messages from our business plan, which will take a number of different forms such as 'staff cards', videos that share stories about what it is like to be part of Orbis and opportunities for focused discussions in team meetings.

1.2 Introduction

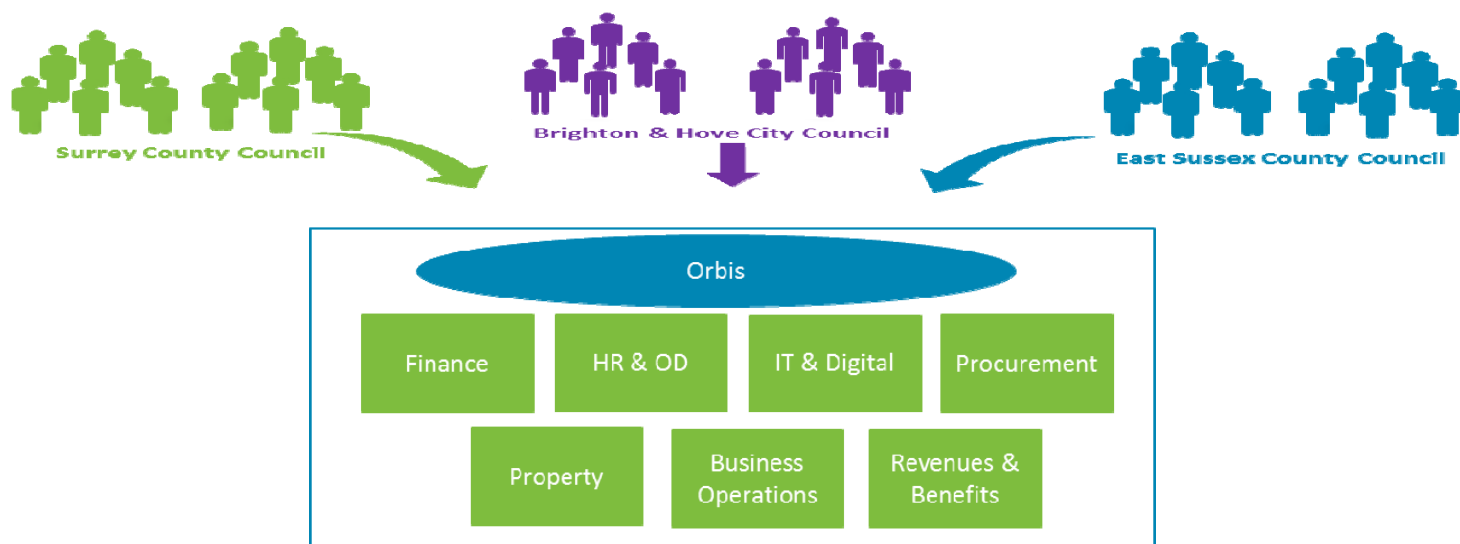
Orbis is a Public Sector Partnership between Surrey County Council, East Sussex County Council and Brighton and Hove City Council. We formed Orbis to provide high quality services to our customers and retain public sector money and expertise within the partnership.

Why Orbis?

Orbis was created to:

- Drive efficiencies by standardising the way we work and removing duplication
- Share resources, expertise and knowledge to identify best practice approaches that best meet the need of our customers
- Create greater operational resilience
- Deliver greater value for money, placing customers at the heart of everything that we do
- Improve customer service and enable customers to access services more easily

What does Orbis include?



Where are we today?



Orbis has....

2000
employees

Working
across
3 councils

£61.5m
joint
operating
budget

Page 59 **30+**
external
organisations

360
schools

40
academies

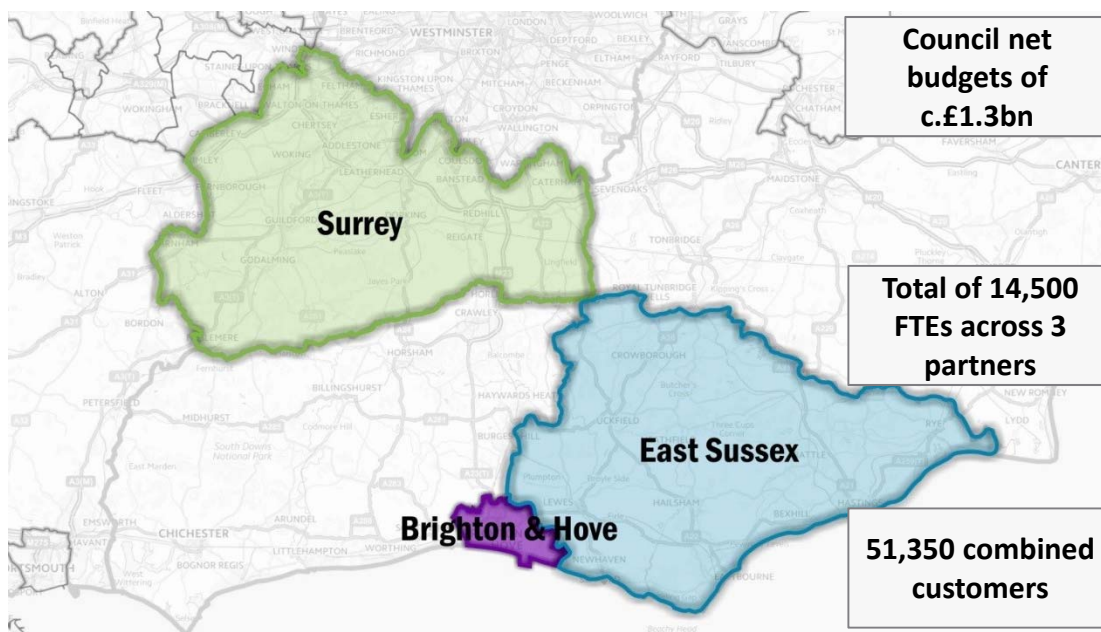
51,350
customers

1.3 Our partner context

We have three unique sovereign partners. Orbis needs to be equipped to understand what they need from their back office services and how priorities may need to adapt over the next three years to respond.

The aim of Orbis is to drive value and efficiency for our councils, customers and residents. Our sovereign councils are under pressure to achieve significant financial savings and Orbis can play a key role in helping to transform how services are delivered. Every £1 saved or made by Orbis is £1 our councils don't have to save. This means more funding can be diverted to where it is needed most – adult social care, children's schools and families services, libraries, highways and other frontline services.

Who are the Orbis partners?



What are the key areas of focus for our sovereign councils?

Financial austerity



We have delivered significant savings in recent years but financial pressures are set to continue. Our councils will have to balance competing priorities and transform services even further

Delivering services differently

To manage a reducing budget and greater demand for services, our sovereign councils will need to explore how services can be delivered differently to continue to meet outcomes



Digitalisation



To better connect with our residents we need to develop our digital channels and explore how we can use technology to underpin our core services

Integration

Breaking down organisational boundaries, for example across health and social care, is becoming more important. Services need to be holistic across the public sector



1.4 The Orbis way of working

Providing excellent customer focused services and delivering public value are at the core of our ambition. When we formed Orbis we developed Orbis ways of working focused on EPIC, to help us become the “compelling alternative” to truly differentiate ourselves from others in the market.

In the next stage of our partnership journey we want to continue to build and embed the EPIC way to working, combining our expertise, innovation and passion.



We are working in partnership to achieve results

We are founded on strong partnership working in the South East typified by the South East 7 partnership of all the Tier 1 Councils in the region. Surrey and East Sussex County Councils built on this with partnership working in business services initiated in 2012. Brighton and Hove City Council committed to engaging with this partnership working and in 2016 confirmed their intent to take up founding partner status in Orbis which was formalised in May 2017. This is a testament to the strength of partnership working and the compelling opportunities in Orbis



We deliver with passion for our customer

Working in the public sector we understand the needs of our customers and are passionate about making a difference in our local communities.



We think differently

We want to challenge the status quo and provide a better level of service to our partners and customers. We will do this by working in collaboration, using our expertise, skills and extensive experience to come up with innovative solutions to enhance the services we currently provide.



We have EPIC people

Our people are our unique differentiator. Together we bring the knowledge and expertise of our employees, committed to delivering high quality services for our residents.



We will provide value for money

Working together we can transform services to improve quality whilst driving efficiencies to deliver better value for money services.

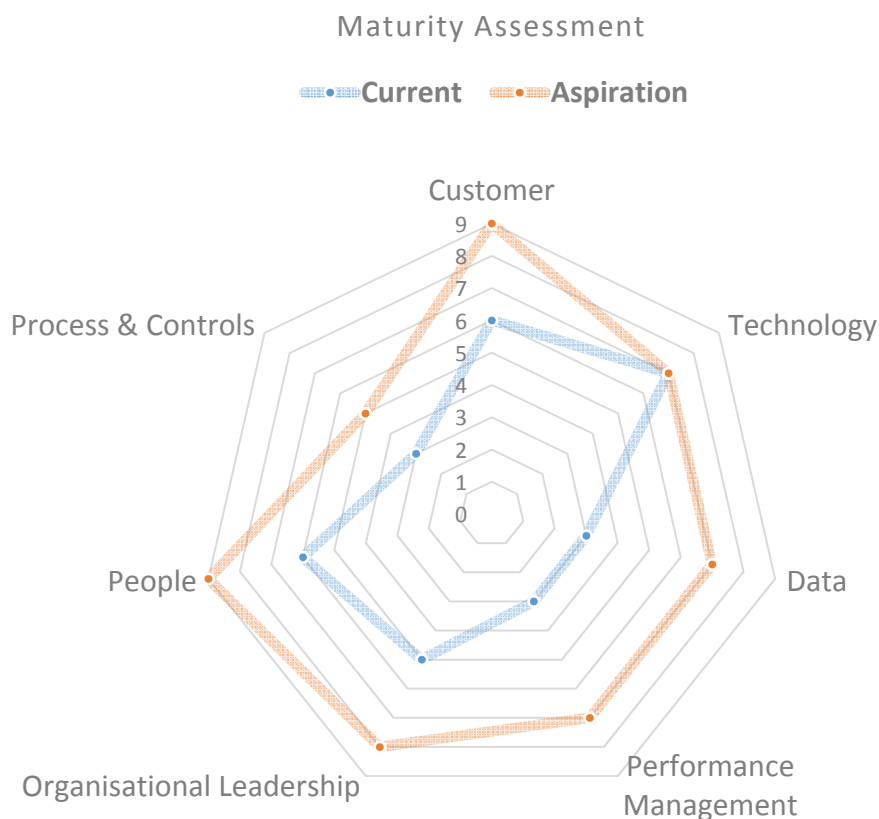
1.5 Our journey to date

Since forming Orbis in 2015 and incorporating Brighton and Hove in 2017, we have made good progress in establishing a public sector shared service across three authorities. We can be proud of what we have achieved together but we want to continue to integrate and transform our services, to ensure we remain the public sector provider of choice for our partners and offer value for money for local residents.

Knowing what we are doing well and what we need to improve is important to us, so we can continue to provide a high quality service to our customers. We have undertaken a 'maturity assessment' and considered how we are performing against some key characteristics of successful shared services, comparing ourselves against 'leading edge' organisations.

This marks an informed and subjective assessment of our organisational maturity and we have used this to develop our thinking about future priorities and where we need to invest most effort going forwards. In doing so we have taken a partnership wide view; it is therefore acknowledged that individual services may be at a different stage in the journey.

The diagram below summarises our informed and subjective assessment of where we are today ("current") against where we want to be by 2021 ("aspiration") when compared to leading organisations.



1.5 Our journey to date

| Component | What are we doing well? | What do we need to improve? |
|------------------------|--|--|
| Customer | <p>Our public sector ethos remains strong, with a commitment across all levels of the partnership to provide good customer service.</p> <p>We can respond flexibly to our customers' needs and regularly seek to improve the customer experience.</p> <p>We have a clear value proposition built on becoming the 'compelling alternative' which has proven to be a differentiator in the market</p> | <p>We don't always ask our customers for feedback as much as we should.</p> <p>We want to involve our customers more in developing and planning our services, so we can ensure what we do is meeting their needs, now and in the future.</p> <p>Currently we do not have a consolidated customer database to track interactions and opportunities, particularly with external customers. This makes it difficult to know what our pipeline of activity looks like and who we hold relationships with across the partnership.</p> |
| Processes and Controls | <p>We have started to review our processes across our sites so we can work more efficiently together and avoid doing things twice.</p> <p>We have considered the policies and procedures we have and adapted these to the partnership as far as possible.</p> | <p>We can still make processes more efficient across the partnership, with greater consistency between services.</p> <p>Opportunities to automate processes can be explored further.</p> <p>The extent to which sovereign policies and processes can be amended further to provide clarity across the partnership needs to be reviewed.</p> |
| People | <p>Orbis specific communication channels have been established, for example, an Orbis newsletter, service specific newsletters and intranet pages.</p> <p>We have invested in developing our staff through access to secondments, the Ingenium talent programme and the development of EPIC behaviours.</p> <p>A partnership performance and development approach is being rolled out across Orbis to establish a consistent approach.</p> | <p>Build on the initiatives we have developed but ensure they are embedded across the whole partnership at every level.</p> <p>Develop a People Strategy to guide how we invest in our people and recruit and retain the best talent.</p> |

1.5 Our journey to date

| Component | What are we doing well? | What do we need to improve? |
|-----------------------------|---|--|
| Organisation and Leadership | <p>The first years of our partnership were guided by a robust business plan with five key design principles.</p> <p>We have kept a strong focus on our vision and Orbis principles to integrate our services.</p> <p>Our leadership team engage proactively with staff from across the partnership, for example via focused lunch topics.</p> | <p>There isn't a yet a consistent level of understanding about Orbis; we want every single person in Orbis to understand what we are about and what we want to achieve.</p> <p>There remains a high level of decision making by the Orbis Leadership Team. We want to empower our staff to make more decisions. Decision making needs to support a more agile and fast paced approach.</p> |
| Technology | <p>We have an established process in place to prioritise our investment in the things that will make the biggest difference to our business.</p> <p>We make decisions objectively against our agreed criteria.</p> | <p>We need to be clearer on what technology we have and what it can help us achieve.</p> <p>Where possible we need to increase the pace of decision making so technology solutions align to business needs.</p> |
| Data | <p>We have begun to explore how we improve our data quality through the use of analytics and automation.</p> | <p>Multiple data systems exist with variable levels of data quality and a high reliance upon manual recording.</p> <p>We need to rationalise the number of systems we use and improve the consistency of how we record and manage data, exploring the role automation could play.</p> |
| Performance Management | <p>Our services respond well to the needs of our customers and each service regularly monitors how they are performing.</p> <p>Service budgets and efficiency targets are agreed with customers prior to each financial year commencing, which helps support effective planning.</p> | <p>We need to define the scope of our services more clearly to help manage demand.</p> <p>Orbis wide metrics to guide delivery against the new business plan need to be developed.</p> |

1.6 Celebrating our achievements

Working collaboratively together we have built some strong foundations for the future. Orbis is the largest local government shared service partnership nationally and we have been recognised externally for the high quality services we provide and the investment we have made in our people.

By working together we have:



Continued to **provide back office services** to the three sovereign partners in challenging times, making better use of resources through collaboration and sharing expertise



Built and maintained a **strong relationship with our customers** who are at the heart of what we do



Incorporated Brighton & Hove as the third and final founding partner in May 2017 to further strengthen the partnership – a great testament to our achievements so far



Integrated leadership across three authorities



Developed **EPIC behaviours** and created an EPIC champion network to help us to improve the way we work together



Launched a **new performance and development framework** to support our staff



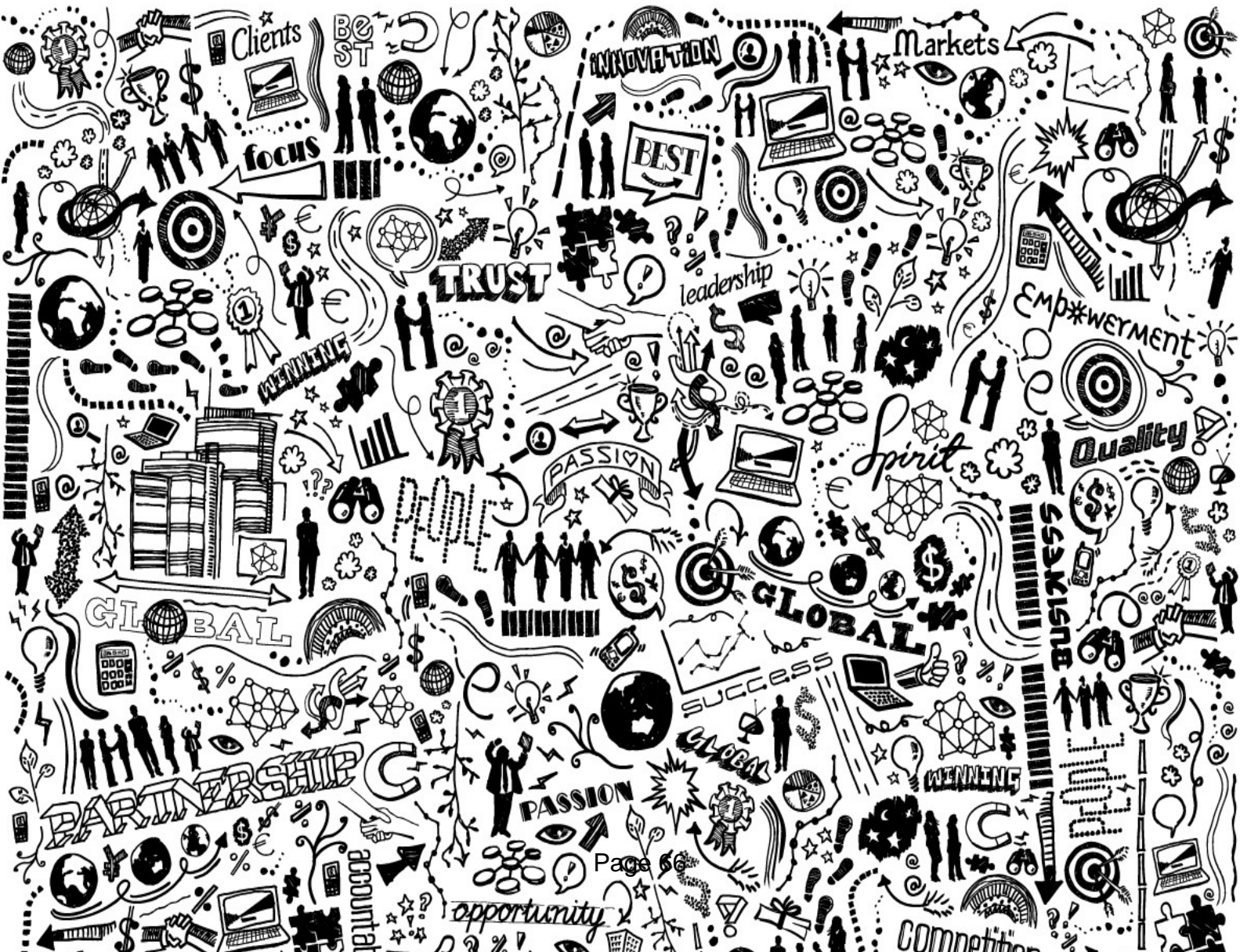
Received **external recognition for our achievements** – we have won numerous awards for culture, innovation, social value and efficiency



Made our services more efficient and delivered £4.5m savings in Year 1 – including the early delivery of £2.9m of savings. Planned savings for Year 2 and 3 are in delivery



2. Where do we want to be by 2021?



2.1 Our vision

As Orbis we will strive to be the best we can. We have an ambitious vision for the partnership we want to become by 2027 to ensure we continue to be the “compelling alternative”. Our 2021 Business Plan is focused on progressing the next stage in our journey towards this.

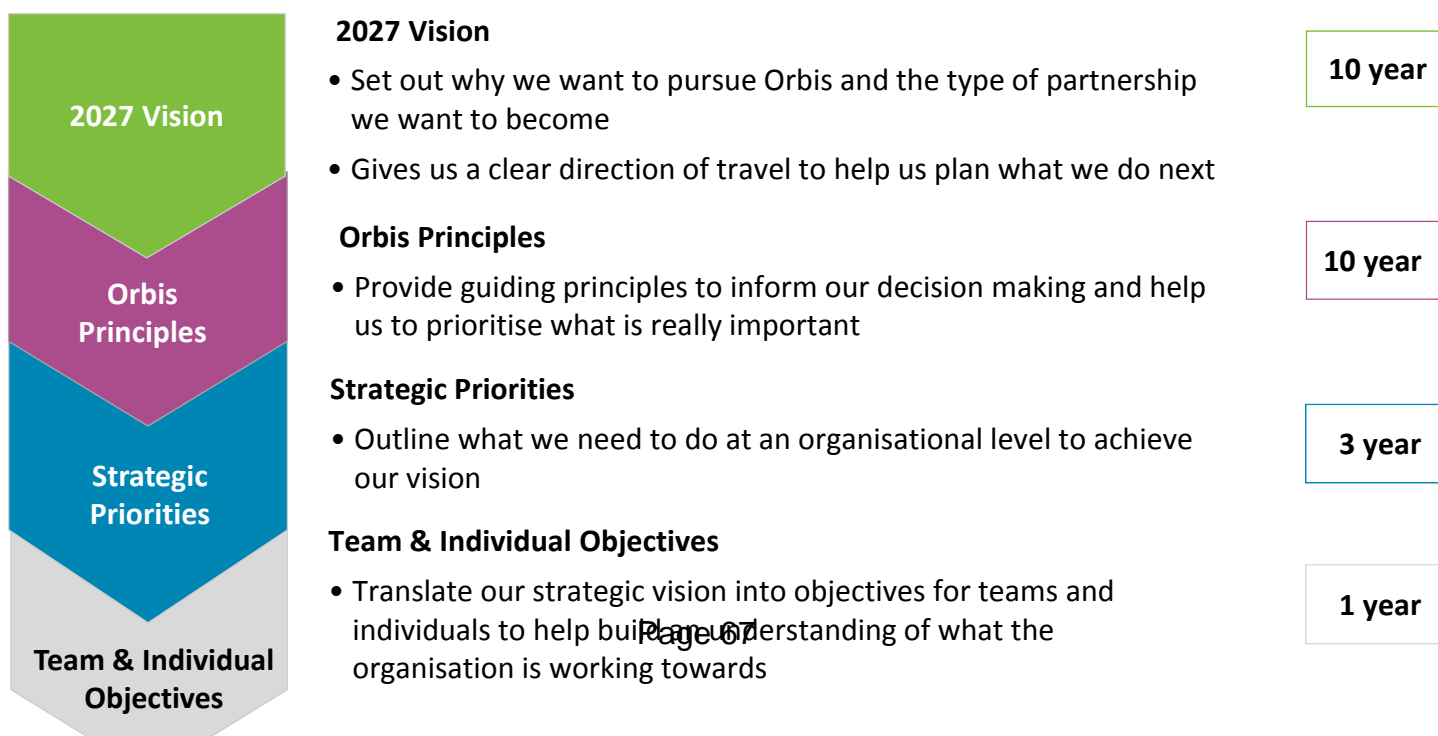
By 2027 we want to:



How will our 2027 vision drive how we operate?

What will be in place? What will this do?

Timeframe



2.2 Orbis principles

Orbis aims to:

| Principle | How we deliver | How we measure |
|---|--|--|
| 1 Place the customer at the heart of everything we do | <ul style="list-style-type: none"> • “Customers” are those we serve • Build customer insight through data analysis and analytics • Develop a customer framework to support performance monitoring • Embed customer focused behaviours in all we do | <ul style="list-style-type: none"> • Customer satisfaction surveys • Customer feedback • Performance against each metric |
| 2 Have a workforce who are proud and passionate and are given the opportunity to succeed and flourish. | <ul style="list-style-type: none"> • Invest in staff development (e.g. learning and development, talent programmes) • Provide opportunities to gain different experience (e.g. secondments) • Provide a clear direction of travel • Manage performance | <ul style="list-style-type: none"> • Recruitment and retention statistics • Staff survey feedback • Staff performance • Engagement in learning and development and talent programmes • Absence monitoring |
| 3 Embed a partnership culture, empowering our people to make decisions based on the right thing for our business and our customers. | <ul style="list-style-type: none"> • Continue to embed the Orbis culture and way of working • Role model the Orbis behaviours • Engage with our staff and involve them in decision making • Provide clarity of roles and responsibilities | <ul style="list-style-type: none"> • Staff survey feedback • Individual and team performance against agreed objectives • Customer satisfaction |
| 4 Be the public services supplier of choice, allowing our existing and future partners to benefit from our increased standardisation, insight and reduced duplication. | <ul style="list-style-type: none"> • Develop a clear strategy that is aligned to our longer term vision, to guide the collective efforts of our staff • Identify opportunities and risks from the external environment and develop strategies to respond/accept • Explore new market offers e.g. analytical capabilities | <ul style="list-style-type: none"> • Performance against key metrics • Benchmarking • Customer feedback • External awards • Customer demand (from existing and potential customers) |
| 5 Have a thriving business which is sustainable now and in the future. | <ul style="list-style-type: none"> • Identify changes in the external environment and proactively respond to opportunities and challenges • Implement a programme of continuous improvement • Provide the framework for innovation and creativity • Seek to grow our customer base as per the specific service aspirations | <ul style="list-style-type: none"> • Income and expenditure monitoring • Growth of customer base (where appropriate) • Strength of relationship with sovereign authorities |

2.3 Our priorities

Our Primary Priorities – what we will invest most energy into

Relevant Orbis
Principle

1

Serve our Customers

Place the customer at the heart of everything we do

- Develop Orbis wide customer metrics and a performance dashboard for senior customers
- Establish mechanisms to seek regular customer feedback
- Develop a customer access strategy to ensure service delivery is focused on the end user and not determined by function and structure
- Strengthen relationships with sovereign bodies to remain an intelligent partner
- Develop greater customer insight to enable proactive responses to customer needs

2

Develop our People

Have a workforce who are proud and passionate and given the opportunity to succeed and flourish

- Continue to embed the EPIC culture and behaviours to all levels of the organisation to build loyalty to Orbis
- Embed the Orbis performance framework
- Enable more staff to access opportunities across the partnership via secondments and training
- Remain aware of the organisational mood and tailor communication and marketing of development programmes accordingly
- Equip staff with skills and expertise to respond to changing environment and technology, building agility
- Recruit and retain talent to help deliver our vision, including securing more flexible resources to meet fluctuating demand

3

Create Conditions for Success

Embed a partnership culture, empowering our people to make decisions based on the right thing for our business and our customers

- Embed the Orbis culture across all layers of the organisation and all partners
- Empower staff to make more decisions and positively role model this
- Continue to engage with staff regarding what it means to be part of Orbis
- Communicate and engage with staff regularly and in an accessible form

2.3 Our priorities

Our Secondary Priorities – what will underpin how we work

Relevant Orbis
Principle

4

Know our Business

5

Utilise Digital Solutions

6

Perform to our
Highest

7

Standardise

- Be the public services supplier of choice, allowing our existing and future Partners to benefit from our increased standardisation, insight and reduced duplication.
- Have a thriving business which is sustainable now and in the future

- Develop our analytics offer to understand our customers
- Develop a data management strategy to improve data quality and reduce manual interventions

- Develop our technological capabilities to support the delivery of our services
- Develop an evaluation framework to assess the value added from technology and digital transformation
- Share and promote capabilities of existing systems to avoid reinventing the wheel
- Explore the use of robotic process automation to enhance our business offer and realise capacity

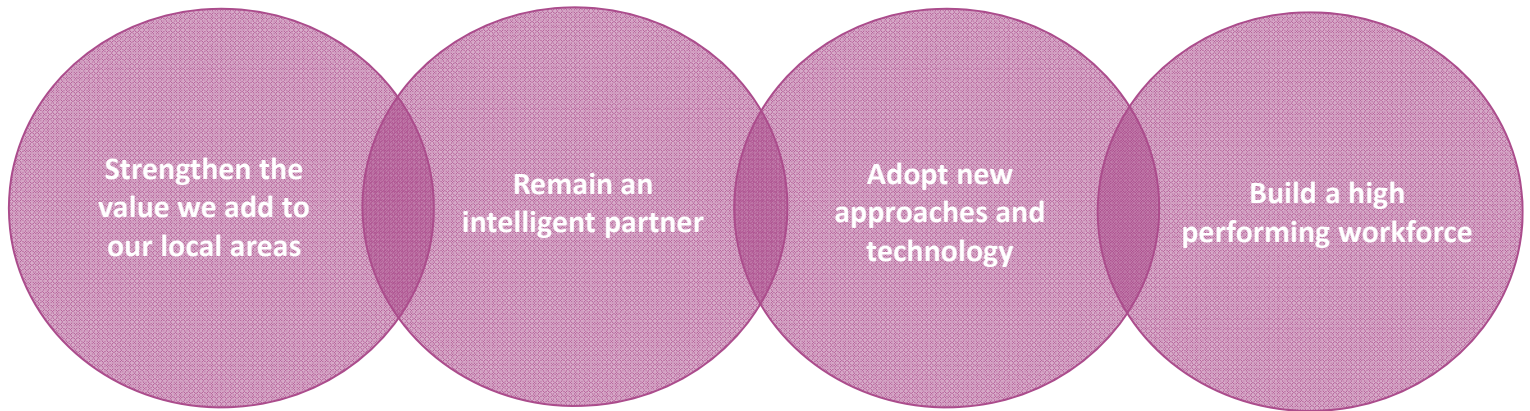
- Undertake scenario planning regarding existing and emerging risks to sustainability
- Develop an action plan for high risk areas e.g. potential loss of customer base from schools and social care
- Explore opportunities to reduce delivery costs further e.g. use of robotics to automate processes
- Remain receptive to the impact budget reductions and further pressures will have on the organisational mood and culture

- Continue to explore ways to improve standardisation and duplication within services
- Identify and exploit existing and emerging opportunities with other partners in the local area e.g. health and social care, to drive further service improvements
- Map existing processes and regularly review and challenge to improve and standardise

2.4 The opportunities ahead

The context in which we operate is changing. This presents a number of exciting opportunities for Orbis to really transform our services for the benefit of our customers across Surrey, East Sussex and Brighton & Hove.

What are the key opportunities ahead?

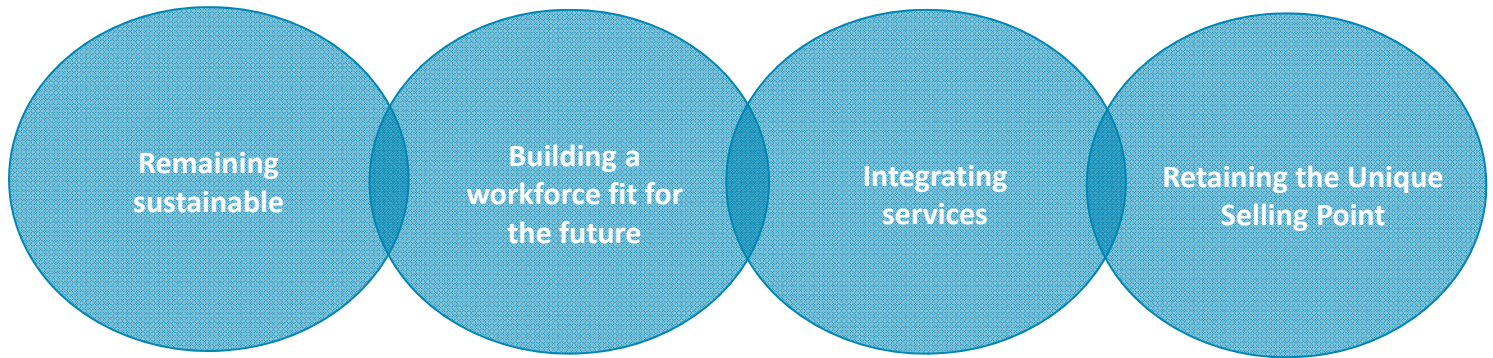


- Drive presence and value in the sovereign localities by **expanding the customer base** to include Health, Police, Education and Third Sector
- Deliver added value to sovereign authorities by utilising public sector relationships as a catalyst for **further joint working**
- Retain strong working relationships with the sovereign authorities to **maintain customer insight** and support future sustainability
- **Proactively offer solutions** to sovereign services to support future sustainability
- Continue to be regarded as part of the sovereign business, not a provider to it
- Experiment with **new ways of working and technologies**, adopting or rejecting quickly to **improve efficiency** and offer solutions to sovereign services as appropriate
- **Develop insight** through effective use of data to deliver a **range of capabilities** (i.e. analytics) to drive value in the business and to the sovereign services
- **Recruit talent** through the diverse Orbis offer and strong public sector values
- **Retain talent and develop existing workforce** by offering flexible career paths across a diverse range of services
- **Utilise broad labour market** across the Orbis geography to attract and retain talent
- Maintain **organisational youth and energy** to build a confident workforce

2.5 The challenges ahead

Whilst there are a number of opportunities ahead, we are presented with some challenges which we will need to remain aware of and manage, so these do not compromise our ability to realise our ambitions.

What are the key challenges ahead?



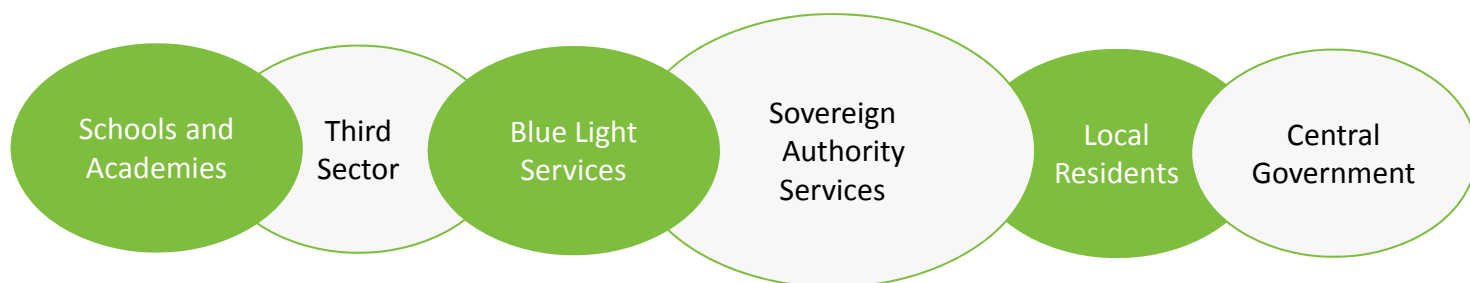
- Managing increasing **demand** and customer expectations
- Delivering additional **budget reductions** whilst continuing to deliver good quality services
- **Retaining the customer base** in a rapidly changing external context (schools and social care in particular)
- Responding to the unique **political direction** of the three sovereign authorities
- Understanding cost and value
- Embedding the **Orbis culture** and way of working at all levels of the organisation
- Building an **agile workforce** that can respond to change (technological, service, organisational)
- Equipping the workforce with the **skills they need** for the future when these are not yet known
- Attracting and retaining staff with the skills required for future roles (i.e. Gen Z)
- Maintaining a focus on the **integration of services** across three authorities whilst sustaining business as usual
- Balancing a requirement for **simplification and standardisation** to drive efficiencies whilst retaining scope to **tailor services** to sovereign priorities
- Establishing common processes and practices across the partnership to help rationalise and consolidate systems
- **Strengthening sovereign relationships** and maintaining a strong understanding of customers in a context of reduced visibility and time pressures
- Navigating a complex array of metrics to **demonstrate the value** of Orbis services
- Delivering **customer focused services** at a partnership level, not in individuals silos
- Remaining relevant and sustainable

2.6 Customer focused services

Orbis is a customer focused service. We want to provide efficient, effective and insightful support and advice to enable our customers to deliver high quality services to our local residents.

Who are our customers?

We have a wide and diverse customer base, with our sovereign partners at the core. The number of external services varies per service based on the unique service offerings. Over the next few years we expect to grow our customer base further, both in terms of the volume and breath.



How does Orbis benefit customers?



Better access to services

The customer journey will be re-designed to make it as simple and easy to access services as possible. Customers will increasingly be able to access services at a time that suits them



Improved quality

Customers will benefit from access to a wider pool of skills, experience and expertise that will drive innovation and improvements in the services they receive



More efficient processes

By improving access to our services we will give our customers the outcomes they want more easily and quickly



Greater resilience

Working in partnership across three large authorities enables us to respond more easily to fluctuations in demand



Value for money

By combining our collective expertise and resources and changing the way we work, we will ensure the services we provide are efficient and effective to deliver value for money for our customers

What changes can customers expect to see up to 2021?



Growth

A larger customer base to strengthen our offer



Self service

New technology and delivery models will enable customers to help themselves



A recognised brand

We will continue to build awareness of Orbis across the public sector and beyond



Modern, digitally enabled services

We will utilise technology to improve our services

2.7 What will this mean for our staff?

It is a great time to be part of Orbis. We have achieved a lot already, working collaboratively together and we have outlined an ambitious vision for the future. At the core of our business is our people, so what does being a part of Orbis really mean for our staff?

Being part of something bigger

Our staff will work with colleagues from across three local authorities. The extent of interaction with colleagues from other sites will vary depending on your role – for some this will be daily and for others less frequently but for all it offers the chance to build networks and share ideas about how to improve services and solve some of the challenges we face

More opportunities to learn and develop

We will build on the learning and development programmes we have already established to make sure staff have access both to structured learning programmes but also informal opportunities to learn from colleagues across the partnership. We are the largest shared service across local government - working across three authorities increases the number of opportunities available for those that want to try something different

Have pride in the quality of service we offer

By working together, jointly investing in services and sharing best practice we can improve the quality of service we offer to our customers. This will help sustain our partnership but importantly will make sure our sovereign partners can continue to access the support they need to deliver services to local residents

Achieve more for our local areas

Our aspiration is to work more closely with our partners so provide a rounded and streamlined service to local residents. We want to explore how we can better join up what we do with Health, Police and Education and other partners, so the service our customers receive is the best it can be

Play a key part in shaping what we do

We want to involve our staff in thinking about how we deliver services differently – what will our services of the future look and feel like? This is why we will continue to communicate and engage with you to get your ideas about what we can do differently and create the structures that empowers you to make more decisions

What changes will you see over the coming years?

You will hear more about what is Orbis is about – we want all our staff to **understand what we want to achieve**

You will have more control about what you do – we want to **empower our staff** to make decisions

Investment in **technology and digital** solutions to support you to do your job

More focus on **how we are performing** – we want to get better at knowing how well we are doing

Growth in our business – serving our localities is our priority. We will join with partners but also generate income where we can

How we deliver services will change – what we do, how we do it and when we do it will be explored

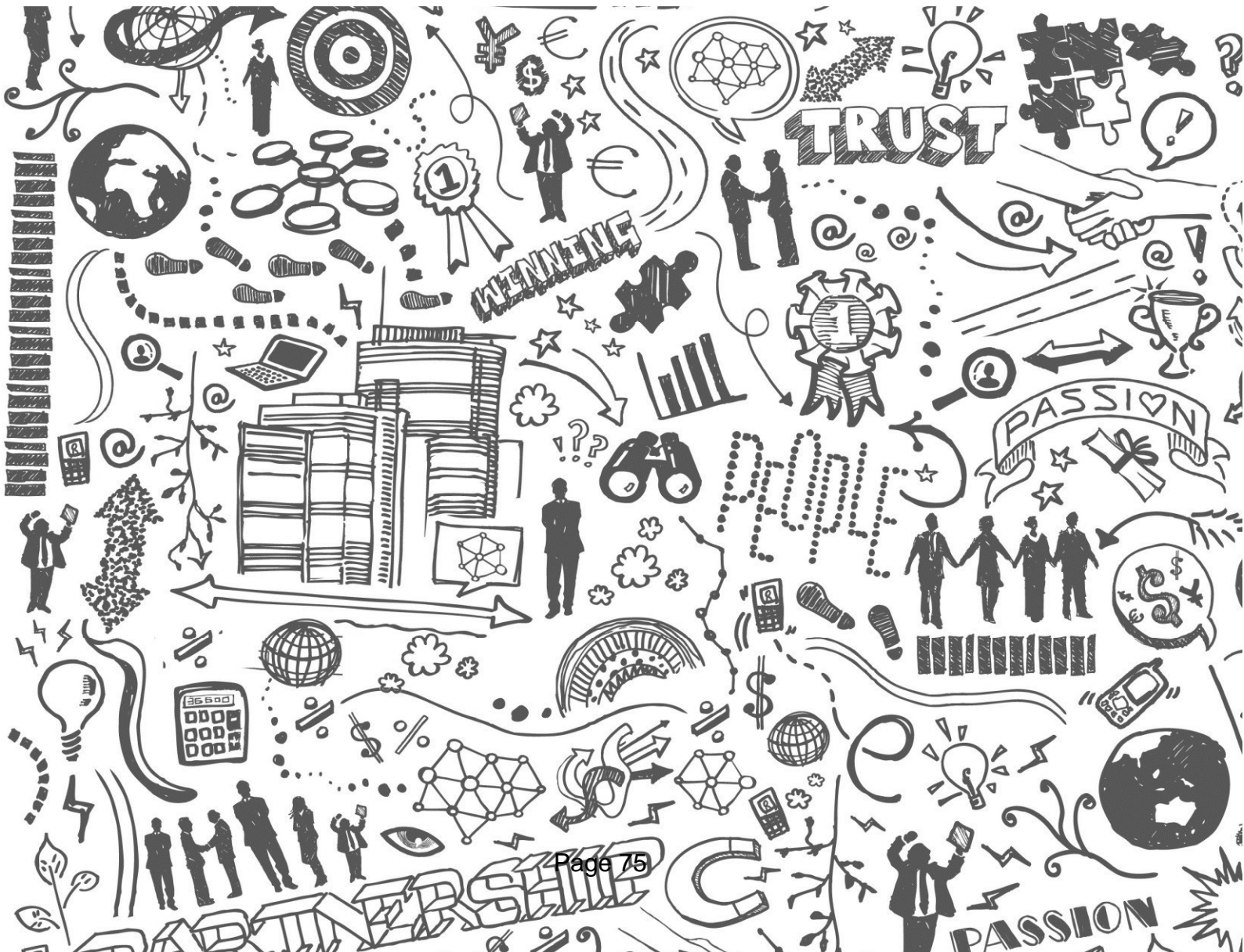
Our commitment to you

We will listen to the opinions and views of our staff

Orbis will be an **exciting and rewarding** place to work

We will deliver services to our customers that we can **be proud of**

3. How will we get there?

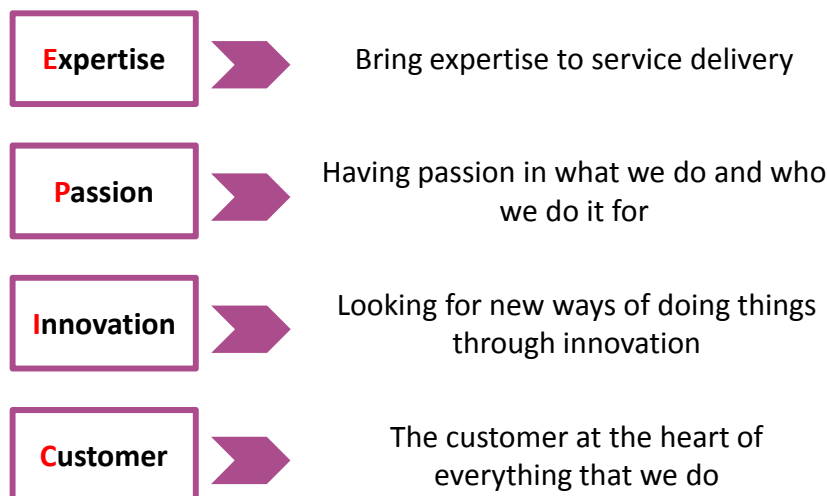


3.1 Investing in our people

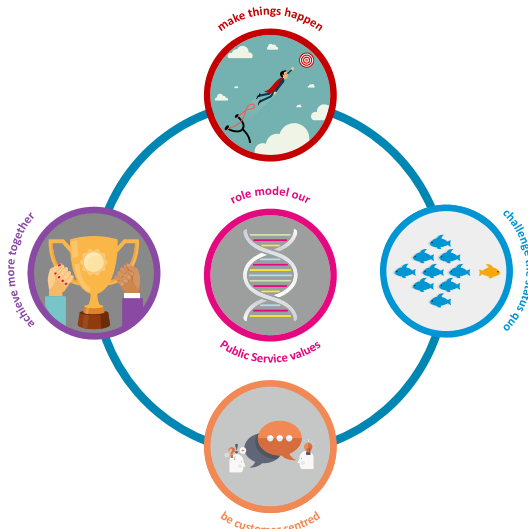
Our people are our unique differentiator; the success of our partnership is dependent upon the people that work within it. We want to create the 'Orbis way of working' to bring together the knowledge and expertise of our staff coupled with the behaviours and attributes to deliver our vision.

Since forming our partnership we have worked with staff to develop our EPIC culture and behaviours to guide the way we work. We will continue to invest wisely in our people and ensure that we have the right skills and expertise to deliver what we have set out to achieve.

The EPIC culture

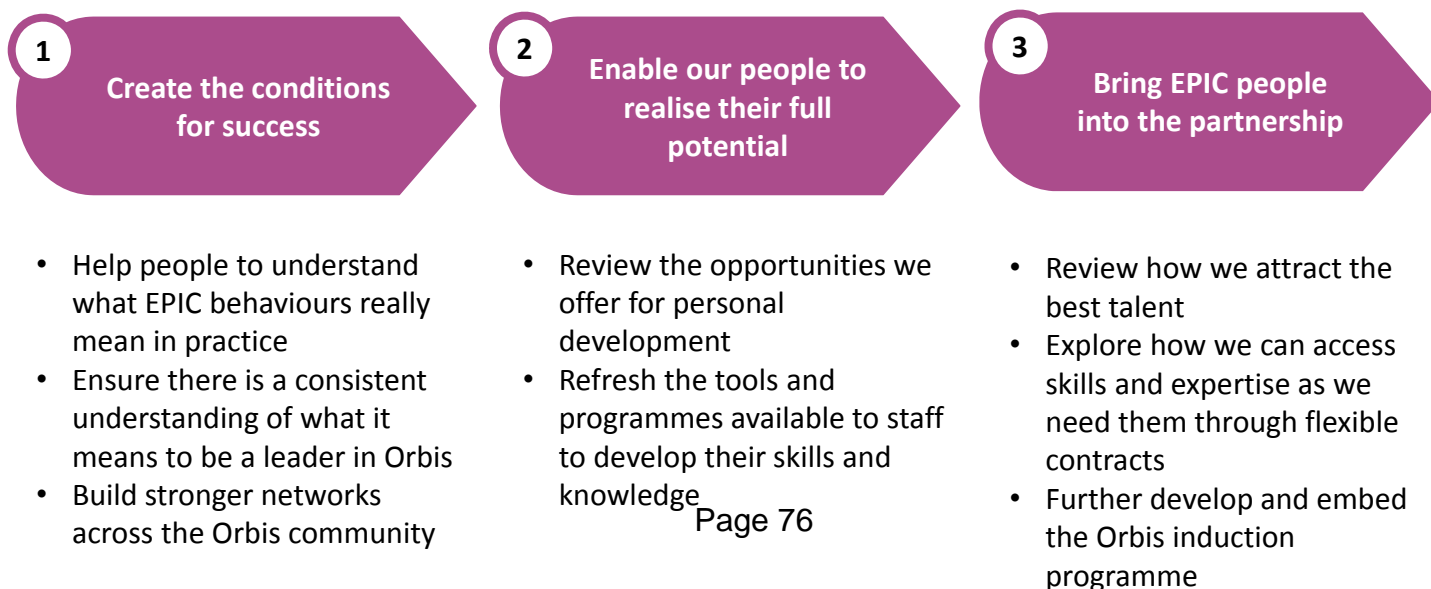


The EPIC behaviours



We will continue to invest in developing our people further during the next stage of our partnership journey. Our aspiration is for EPIC behaviours to be consistently embedded across all levels of the partnership and we recognise that we have some way to go to achieving this. We have therefore identified a priority focus area for each year up to 2021 to support our day to day work. This priority area will not be the only element of the people agenda we invest in but will ensure we can dedicate time to building our workforce for the future.

Alongside our day to day work and the ongoing journey to embed the EPIC behaviours, we will dedicate time to:



3.2 Benefits

We believe we can achieve more and deliver greater benefits to our customers, staff and wider partner networks by working collaboratively together. Through further integration, transforming the way we work and generating income where we can, we will secure a wide range of benefits to achieve our vision and remain a sustainable partnership.

What benefits can we deliver together?

| | |
|---|--|
| Provide more opportunities for our people | Working across three partners will enable us to provide more career development opportunities for our staff, by opening up opportunities across three partners and enabling our teams to share their skills and expertise with each other |
| Improve the customer experience | We will invest in new technology and explore different service delivery models to improve the customer journey, to make accessing our services as simple as possible |
| Become more resilient | By continuing to bring our services together we will be more resilient, share expertise and be better able to respond to peaks and troughs in demand |
| Get more for our money | We can use economies of scale to our advantage and make sure we secure the best price for the products and services we buy |
| Build our customer base | By continuing to improve the quality and efficiency of what we do, and maintaining our strong public sector ethos, we will build our customer base where it is appropriate to do so, to generate income for Orbis so we can continue to be sustainable |
| Value for money | The context in which we operate means that it is essential our services deliver value for money for our sovereign partners. By transforming the way we deliver services, through new delivery models and utilising technology as effectively as we can, integrating further across the three partners and generating income we will secure value for money and respond to the budget reductions our partners require |

3.2 Benefits

The savings we need to deliver in 2018/19 have been confirmed by our sovereign partners and each Orbis service has plans in place to deliver these. The savings we are delivering in 2018/19 formed part of the original Orbis business plan, so the figure below is the total figure and is not additive. Local Government financing is facing particular uncertainty and change and therefore the 3 Sovereign Partners continue to review their service and financial strategies and plans for 2019/20 – 2020/21 and have not defined detailed savings targets at this stage. This is to ensure the target setting is done with the best insight and information available to inform what would need to be detailed planning; consultation and management.

We have therefore modelled what further savings targets would translate into within the range of 2-8%. Modelled below is the target at 5% over 19/20 – 2020/21. We recognise that this will need to remain under review as the sovereign partners develop their medium term financial plans during 2018/19 for the period 2019/20 onwards

We have therefore set out below the level of savings we anticipate being required, calculated based on the confirmed requirements of East Sussex and Brighton and Hove and applying the partnership ratios. We recognise that the budget available will need to remain under review as the budgeting process concludes.

We need to reduce our budgets, either by directly making savings or generating income, by the following:

| | 18/19 | 19/20 | 20/21 | Total |
|---------------------------|-------|-------|-------|--------------|
| Savings required per year | £4.5m | £1.8m | £1.1m | £7.4m |

Over the course of 2018/19 a detailed savings plan will be developed, to define how we will deliver the savings and the proportion that will be allocated to each service in 2019/20 and 2020/21.

We have started to explore opportunities with each service, focusing on ‘areas of search’ and intend to continue this process to finalise the savings plans. The key areas we are considering are outlined below:

| | |
|-----------------------------|--|
| Transformation | ▶ Re-designing the way we deliver services, making use of new models of delivery and technology to make our services are efficient and effective as they can be |
| Commercialisation | ▶ Applying a more commercial mind set to how we work and actively exploring opportunities to generate income |
| Continuous Improvement | ▶ Benefits that can be realised through continuous improvement and the integration of services across three sovereign authorities (e.g. streamlining processes, removal of duplication, reduction) |
| Demand Management | ▶ Changing the way we deliver services to manage demand, for example exploring self-service opportunities and the automation of processes |
| Adjusting our service offer | ▶ There may be aspects of our services we need to reduce how much we do for our customers or explore the implications of stopping some aspects of service delivery completely |
| End to End Process Review | ▶ Reviewing processes and the customer journey to further standardise and remove duplication, considering not only the way we serve but also who is best placed to do so |

3.3 Investment

This document sets our ambitious vision for the future. We are on track to deliver circa 15% budget reductions across our partnership by 2019 and have outlined the additional budget reductions we anticipate needing to respond to by 2021, which are in the region of a further 5% reduction across our services. We will only achieve this by changing the way we work and ensuring that we are enabling our staff to deliver high quality services by providing effective and efficient tools and technology.

In the original business plan we made provision for investment in our services, to help up to establish some key enablers to transformation. We have reviewed this investment fund, taking into account what we have delivered to date and the addition of Brighton and Hove as a third partner. We believe it is important to continue to make provision for further investment, to support us on the next stage of our journey but recognise that some elements in our original investment case are no longer required so we have made adjustments accordingly.

The revised investment fund up to 2021 has been allocated against some key categories as shown below. This reflects an estimate of the investment we think may be required; detailed business cases will need to be considered so we can prioritise requests and direct our investment to where it will have greatest impact.

| Investment Category | Overview | Investment Provision (2018 – 2021) |
|----------------------|--|------------------------------------|
| Orbis Programme Team | <ul style="list-style-type: none">To fund the cost of programme team resources to drive service transformation and provide change management support to services | £632k |
| IT Transformation | <ul style="list-style-type: none">Business Line specific applications to enable new processes in each service and across the partnership e.g. customer access platform | £1.9m |
| Total | | £2.5m |

Contributions by the sovereign partners to the investment fund will be apportioned in accordance with the partnership ratios:

- Surrey £1.4m (55%)
- East Sussex £0.6m (24%)
- Brighton & Hove £0.5m (21%)

3.4 Structuring ourselves to succeed

- As we embark on delivering the Orbis 2021 Business Plan we need to ensure that our business structures and infrastructure can support us to achieve our objectives, **enabling faster and more agile decision making and empowering our staff**
- The context in which we operate is one of reducing budgets and increasing demand for services, so the ability to **secure strong and effective decision making** continues to be of high importance
- As pressures on the sovereign partners continue, we need to **ensure that we are acting in our customers' best interests**, particularly where there are different emerging requirements, whilst sustaining the ethos of the partnership; our decision making needs to be **transparent**
- **Clear accountability** needs to be in place to **manage the risks** and to ensure informed, timely decisions are made.
- Finally, we want to **build understanding** amongst our staff and customers about how we run our business, so this is clear and easy to navigate.

To support the delivery of Orbis 2021 we want to:

- Establish a decision making structure that enables progress against the business plan to be monitored effectively and empowers staff to make decisions as appropriate
- Provide clarity of roles and responsibilities so there is a consistent understanding of where decisions can be made and by whom
- Increase visibility of decisions
- Optimise resources and ensure that decision making and engagement forums are adding value

We have developed some **Guiding Principles** that will underpin our approach to decision making. The structures we have in place will remain under review and may be subject to change but we will use these principles to inform how we operate and structure ourselves. Orbis will:

1

Provide clarity of leadership roles, responsibilities, accountability and decision making to support the delivery of the Orbis 2021 Business Plan and provide transparency to sovereign partners

2

Retain a distinct sovereign role to represent the sovereign interests

3

Establish clear distinction of duties between sovereign commitments and any operational or partnership wide roles

4

Be designed around the needs of Orbis so the structure can withstand any future changes in personnel and empower staff to take decisions as appropriate

5

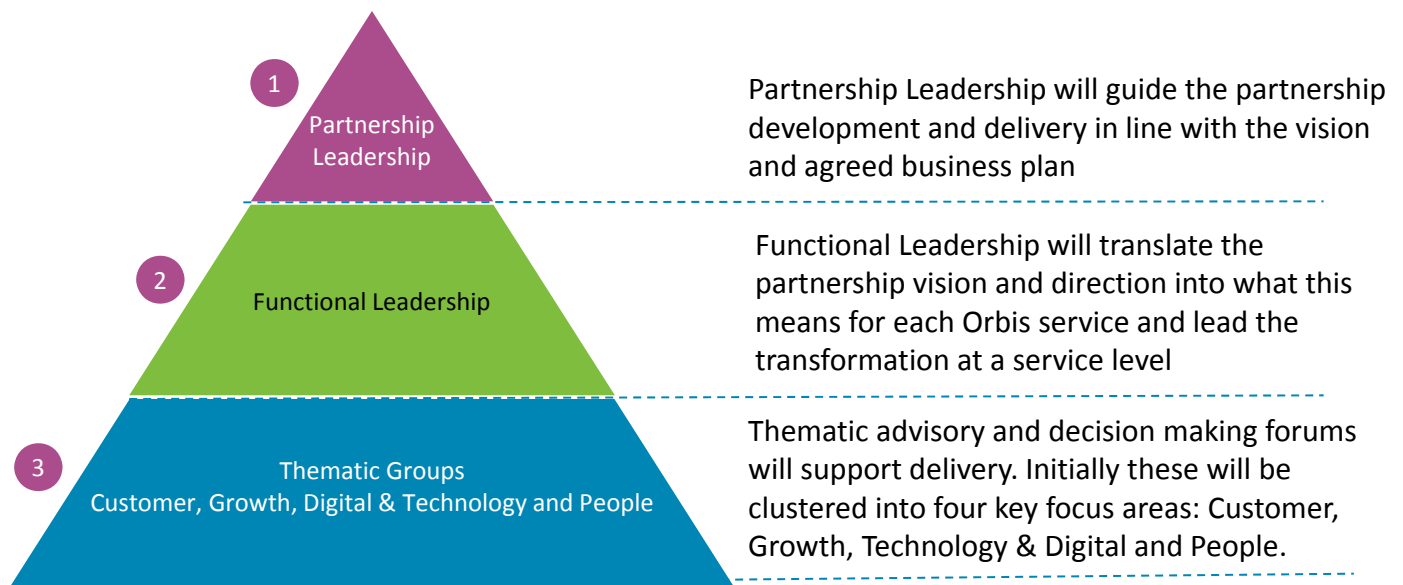
Provide value for money for the sovereign partners and customers

3.4 Structuring ourselves to succeed

Maintaining a strong relationship with our customers and continuing to operate with a public sector ethos is important to us. We will therefore continue to lead our partnership with a Joint Committee structure. The Joint Committee will include political representative from our three sovereign partners and will provide strategic direction and ultimate decision making across the partnership, representing sovereign interests.

The Joint Committee will then be supported by a number of decision making forums and advisory bodies. We will regularly review the way we operate, to ensure that this is fit for purpose and supports effective and timely decision making but also empowers our staff to make decisions.

There will be three core components to how we make decisions and lead our business, as shown below.



How will we structure ourselves initially?

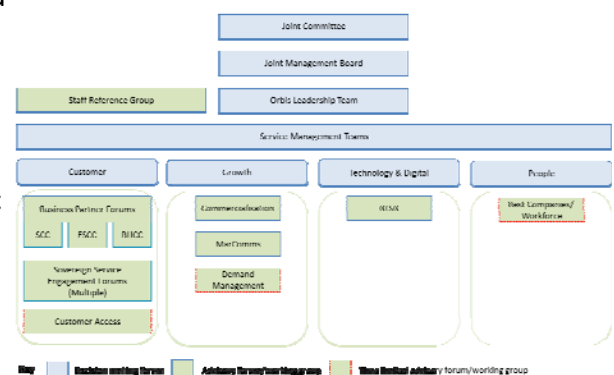
Joint Committee - Formed of two elected Members from each sovereign authority, the Joint Committee is responsible for setting the overall strategic direction for Orbis

Joint Management Board - Provide strategic direction to the development of the partnership, taking into account the vision and objectives set by the Joint Committee. The Board will represent sovereign interests in service delivery and planning and hold the ultimate responsibility for delivering the Orbis 2021 Business Plan

Orbis Leadership Team - Drive progress against the business plan and hold the day to day responsibility for operational and strategic management of the Orbis services. The OLT will monitor and review performance, drive service improvements and identify and manage strategic risks to the partnership

Orbis Service Management Teams - Responsible for day to day management of each service. They will develop service plans and drive performance against these plans, managing service specific risks as they arise

Thematic Groups - A blend of decision making forums and networks, the thematic groups will focus on cross cutting matters relating to Customer, People, Growth and Technology & Digital to



3.5 Risks

There are a number of risks that we will need to manage over the next three years. These have been grouped into four categories: strategic, financial, operational and reputational. We have summarised the key risks below and provided more information about how we propose to mitigate these in Appendix 1.

A

Strategic

- **Political changes** impact on the strategic direction of one/more sovereign partners, de-stabilising the partnership
- **Strength of relationship** between Orbis and customer is eroded as budget reductions result in a smaller workforce and a requirement to work across multiple sites therefore reducing visible presence
- Changes in the **strategic direction or national legislation** impacts on sovereign partner requirements of Orbis and requires adaptations to the service offer
- The **scale of financial challenge reduces** removing the catalyst for innovation and striving to deliver value for money services
- **Sovereign expectations and service delivery capabilities are not aligned** as Orbis does not effectively articulate the consequences of budget reductions to enable informed decision making
- **Loss of strategic relationships** with sovereign partners due to leadership changes, compromising the future sustainability of Orbis

B

Financial

- One sovereign **partner requires a different level of savings** from Orbis, either over and above the agreed target or lower
- Financial savings are **predicated on technology solutions**; delays to implementation and/or investment in process and ways of working not sufficient result in delays to benefits realisation
- The financial efficiencies required by sovereign partners **cannot be delivered sustainably** whilst maintaining Orbis values; target budget reductions are not realised or Orbis value proposition is eroded to achieve the requirements
- **Loss of Orbis customer base** (e.g. social care and/or traded services) adversely impacts on the future financial sustainability of Orbis
- **Value of Orbis is eroded** due to a 'race to the bottom' meaning Orbis cannot sustain both transactional and strategic offers

C

Operational

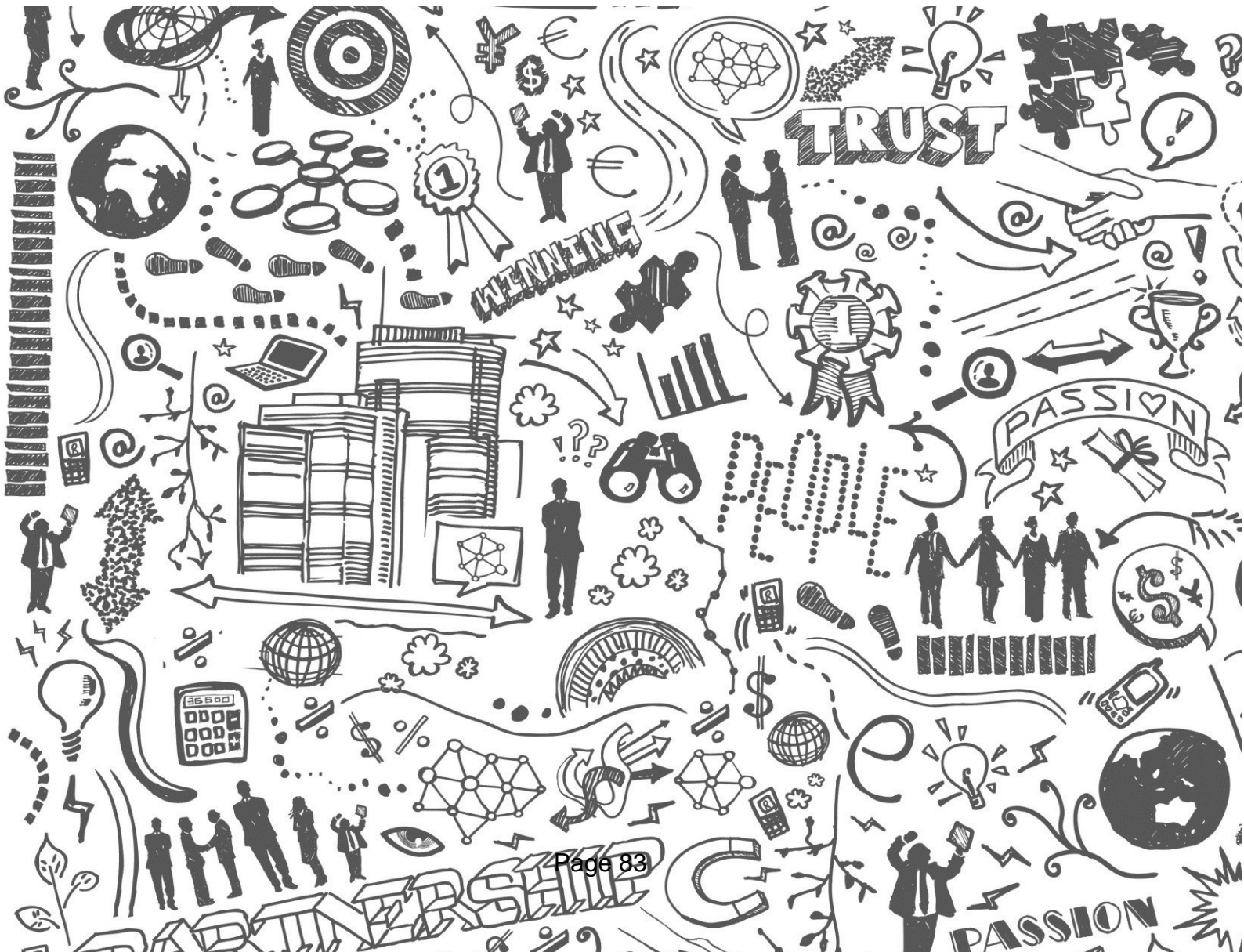
- **Business as usual service delivery** is adversely impacted by a programme of sustained change; service quality reduces along with customer satisfaction
- **Differing terms and conditions** across the sovereign partners can de-stabilise the working environment, adversely impacting on the Orbis culture, staff satisfaction and retention
- **Resistance to change** from staff and key stakeholders; delays and/or inhibits service transformation
- **Service behaviours are not consistent** with the desired EPIC behaviours; prevents the creation of the target Orbis culture and way of working
- Historic under-funding of services results in an **organisational debt** for technology and infrastructure within MOBO budgets, limiting capabilities and reducing business continuity
- **Staff retention** declines due to limited awareness of potential career paths/perception of limited career paths
- Unable to meet aspirations for place based growth due to **absence of required capabilities** to provide back office services to a more diverse public sector customer base
- **Services operate in silos**; opportunities for financial efficiencies and place based growth not maximised

D

Reputational

- The **reputation of Orbis is adversely impacted** as a result of poor performance
- **Political dissatisfaction** with Orbis proposals to realise the required budget reductions
- Orbis fails to remain compliant with **legislative requirements**; brand negatively impacted
- Due to a reduced workforce and service changes following financial efficiencies, Orbis is **unable to meet its growth aspirations**
- **Service quality is compromised** due to unsustainable growth, either in type of growth or scale
- Orbis **cannot effectively demonstrate value** to sovereign partners due to the absence of robust performance measures and evidence

Appendix 1: Risks and mitigations



A. Strategic risks

| Strategic (S) | | | |
|---------------|--|---|---|
| ID | Risk | Description & Implication | Mitigation |
| S1 | Political changes impact on the strategic direction of one/more sovereign partners, destabilising the partnership | <ul style="list-style-type: none"> Changes in the political direction of one/more sovereign partners may require significant changes to the operating model of Orbis Different political priorities may potentially result in a requirement for an alternative delivery model for back office services | <ul style="list-style-type: none"> Continue to have a signed Inter-Authority Agreement in place to outline commitments and exit arrangements Build flexibility into service models to enable service delivery to be tailored to sovereign priorities as required |
| S2 | Strength of relationship between Orbis and customer is eroded as budget reductions result in a smaller workforce and a requirement to work across multiple sites therefore reducing visible presence | <ul style="list-style-type: none"> Due to operating across multiple locations face to face visibility of senior service leads reduces Ability to deliver customer insight and be responsive to changing needs to reduce Potential for the value proposition of Orbis being connected to the customer to weaken, compromising the sustainability of Orbis | <ul style="list-style-type: none"> Promote the use of existing and new technology to support service delivery e.g. video calls Retain business partnering roles/responsibilities and clearly outline the activities and outputs Refresh customer feedback forums e.g. reference group, Chief Executive meetings Develop a customer performance report |
| S3 | Changes in the strategic direction or national legislation impacts on sovereign partner requirements of Orbis and requires adaptations to the service offer | <ul style="list-style-type: none"> Partner strategies diverge to a greater extent than anticipated; significant changes are required to the operating model and/or service strategy Changes in legislation command a greater focus on some functions requiring a review of budget allocation to ensure delivery Service adaptations cannot be delivered at the pace required | <ul style="list-style-type: none"> Develop and periodically maintain service catalogues to identify the service offer per authority Build flexibility into service models and decision making processes to enable Orbis to respond to strategic of legislative requirements |

A. Strategic risks

| Strategic (S) | | | |
|---------------|--|---|---|
| ID | Risk | Description & Implication | Mitigation |
| S4 | The scale of financial challenge reduces removing the catalyst for innovation and strive to deliver value for money services | <ul style="list-style-type: none"> • Austerity reduces thus budget pressures reduce, removing the incentive and 'burning platform' to drive innovation • Service transformation opportunities are not maximised and value for money is not at the optimum level | <ul style="list-style-type: none"> • Establish framework and tools for innovation across all levels of the organisation and promote a culture of challenging the status quo • Regularly review service quality |
| S5 | Sovereign expectations and service delivery capabilities are not aligned as Orbis does not effectively articulate the consequences of budget reductions to enable informed decision making | <ul style="list-style-type: none"> • Sovereign partners expect a higher quality and scope of service than can be delivered within the budget envelope and constraints set, due to consequences of delivering financial efficiencies not being made clear • Results in dissatisfaction amongst the customer base | <ul style="list-style-type: none"> • Develop service catalogues and hold informed discussions with sovereign bodies as part of budget setting process • Develop options for delivering efficiencies with clearly identified enablers and consequences |
| S6 | Loss of strategic relationships with sovereign partners due to leadership changes, compromising the future sustainability of Orbis | <ul style="list-style-type: none"> • Orbis leadership and/or sovereign leadership changes therefore loss of personal relationships which understand subtleties of the Orbis model • Future sustainability is compromised if new relationships cannot be established | <ul style="list-style-type: none"> • Empower decision making across the Orbis leadership community to enable others to develop relationships with the sovereign bodies • Develop and implement performance monitoring so performance can be assessed robustly to take away reliance upon individual relationships |

B. Financial risks

| Financial (F) | | | |
|---------------|---|---|--|
| ID | Risk | Description & Implication | Mitigation |
| F1 | One sovereign partner requires a different level of savings from Orbis, either over and above the agreed target or lower | <ul style="list-style-type: none"> Budget requirement of one/more sovereign partners cannot be achieved whilst still continuing to meet the requirements of the other partners Potential that the differences in budget requirements by sovereign partners cannot be reconciled; results in a breakdown of the partnership | <ul style="list-style-type: none"> Agree and maintain an Inter-Authority Agreement to document financial contributions and agreed savings over the business plan period Develop and maintain a service catalogue to demonstrate the service offer per authority |
| F2 | Financial savings are predicated on technology solutions; delays to implementation and/or investment in process and ways of working not sufficient result in delays to benefits realisation | <ul style="list-style-type: none"> If delivery timescales are delayed and enabling technology is not established by the anticipated date, benefits are delayed Necessary investment is not made to process and ways of working in the required timescales to supplement the technology and realise the anticipated benefits High number of dependencies in place and budget reductions limit the resource and investment available which will impact on the pace of delivery | <ul style="list-style-type: none"> Implement robust governance for the consideration of technology enabled/driven initiatives to ensure investment is prioritised Ensure that technology driven initiatives are supported by a change plan to adjust processes and ways of working accordingly |
| F3 | The financial efficiencies required by sovereign partners cannot be delivered sustainably whilst maintaining Orbis values; target budget reductions are not realised or Orbis value proposition is eroded to achieve the requirements | <ul style="list-style-type: none"> An increased requirement for financial efficiencies from the sovereign partners cannot be delivered whilst retaining the agreed service scope and quality and remaining aligned to Orbis values and political priorities (i.e. local presence) Delivery of the required financial efficiencies would compromise ongoing service delivery e.g. compliance with statutory financial processes | <ul style="list-style-type: none"> Hold ongoing discussions with sovereign partners regarding the impact of planned and future budget reductions, to ensure informed decision making Invest in enabling initiatives to support the delivery of further financial efficiencies where possible |

B. Financial risks

| Financial (F) | | | |
|---------------|---|---|---|
| ID | Risk | Description & Implication | Mitigation |
| F4 | Loss of Orbis customer base (e.g. social care and/or traded services) adversely impacts on the future financial sustainability of Orbis | <ul style="list-style-type: none"> Existing Orbis customers choose to access back office services from another organisation; customer base reduces and service delivery is not financially sustainable at the reduced scale; results in a breakdown of the partnership | <ul style="list-style-type: none"> Undertake viability assessments of the loss or change in requirements of key customers Invest in developing and maintaining relationships with key customer groups |
| F5 | Value of Orbis is eroded due to a 'race to the bottom' meaning Orbis cannot sustain both transactional and strategic offers | <ul style="list-style-type: none"> Scale of financial efficiencies results in difficult decisions and requires a focus on the cheapest possible delivery mechanism Orbis value of transactional and strategic services that uphold the public sector ethos lost | <ul style="list-style-type: none"> Hold informed discussions with sovereign partners regarding the options for delivering further financial efficiencies and consequences Invest in developing people and the culture to foster innovation and encourage a proactive approach to trying alternative delivery models |

C. Operational risks

| Operational (O) | | | |
|-----------------|---|--|---|
| ID | Risk | Description & Implication | Mitigation |
| O1 | Business as usual service delivery is adversely impacted by a programme of sustained change; service quality reduces along with customer satisfaction | <ul style="list-style-type: none"> Ongoing change programme results in staff anxiety and impacts adversely on performance Insufficient capacity to deliver business as usual services alongside service transformation; reduces staff morale and impacts on service quality and pace of change | <ul style="list-style-type: none"> Develop and implement a change management plan Target learning and development initiatives to key competencies i.e. change management Ensure clear communication of the strategic direction and future vision to sustain engagement |
| O2 | Differing terms and conditions across the sovereign partners can de-stabilise the working environment, adversely impacting on the Orbis culture, staff satisfaction and retention | <ul style="list-style-type: none"> Differences in pay and terms and conditions can create a disjointed workforce Differences result in tensions, acting as a barrier to creating the desired Orbis culture; staff become dissatisfied, negatively impacting on performance and retention | <ul style="list-style-type: none"> Engage regularly with Trade Unions Clearly communicate offer to staff Support staff to develop skills and work flexibly across the partnership via a secondment programme Develop partnership roles for pan-Orbis responsibilities Review the partnership structure at periodic sessions over the life of the business plan to ensure that this remains aligned to the aspirations from the partnership |
| O3 | Resistance to change from staff and key stakeholders; delays and/or inhibits service transformation | <ul style="list-style-type: none"> Staff anxiety results in resistance to further change and disengagement in change programmes Pace of change is delayed Service performance and quality reduces | <ul style="list-style-type: none"> Develop and implement a change management plan Target learning and development initiatives to key competencies i.e. change management Implement quick wins where possible to build credibility Engage staff in the development of service transformation plans to build ownership |
| O4 | Service behaviours are not consistent with the desired EPIC behaviours; prevents the creation of the target Orbis culture and way of working | <ul style="list-style-type: none"> EPIC behaviours are not modelled at all levels of the organisation so the Orbis way of working is not established Staff therefore do not develop a sense of loyalty to Orbis and the value proposition is weakened | <ul style="list-style-type: none"> Continue to raise awareness of the EPIC culture and Orbis brand amongst the workforce through regular and consistent communication Review the extent to which leadership role model behaviours and create the conditions for open feedback Target staff development programmes so activities to build the culture are focused |

C. Operational risks

| Operational (O) | | | |
|-----------------|--|--|---|
| ID | Risk | Description & Implication | Mitigation |
| O5 | Historic under-funding of services results in an organisational debt for technology and infrastructure within MOBO budgets, limiting capabilities and reducing business continuity | <ul style="list-style-type: none"> If investment in infrastructure is not at the optimal level the ability to undertake routine maintenance will be hampered Greater risk of system failure or a compliance breach, resulting in significant financial and reputational risk | <ul style="list-style-type: none"> Identify minimum system maintenance requirements and document on an annual plan for transparency Ensure sovereign partners are aware of the potential consequences of dis-investment in infrastructure (e.g. IT, Property etc) prior to budget decision making |
| O6 | Staff retention declines due to limited awareness of potential career paths/perception of limited career paths | <ul style="list-style-type: none"> Additional job reductions and decisions not to fill vacant posts raises concerns regarding more limited career progression opportunities Loss of talent from the organisation | <ul style="list-style-type: none"> Promote opportunities available to staff e.g. secondments, Joint Learning Programme, training etc Undertake exit interviews to understand common themes Undertake a regular staff survey to capture the organisational mood |
| O7 | Unable to meet aspirations for place based growth due to absence of required capabilities to provide back office services to a more diverse public sector customer base | <ul style="list-style-type: none"> Potential additional customers deterred from selecting Orbis as a provider; loss of potential growth opportunity Additional customers secured but not retained due to skill shortage | <ul style="list-style-type: none"> Identify target potential customers Undertake a viability assessment to understand potential Identify skills and knowledge required and develop a programme to upskill the workforce |
| O8 | Services operate in silos; opportunities for financial efficiencies and place based growth not maximised | <ul style="list-style-type: none"> Service specific performance metrics and financial savings targets drives silo working Potential benefits of an Orbis wide approach not realised Customer journey disjointed resulting in reduced satisfaction | <ul style="list-style-type: none"> Continue to progress pan-Orbis activities and priorities Raise awareness of service specific activity at leadership events to facilitate knowledge share and joint working |

D. Reputational risks

| Reputational (R) | | | |
|------------------|---|--|---|
| ID | Risk | Description & Implication | Mitigation |
| R1 | The reputation of Orbis is adversely impacted as a result of poor performance | <ul style="list-style-type: none"> If good quality performance is not sustained the reputation of Orbis may be adversely impacted, resulting in potential loss of funding, reduction in scope and media attention | <ul style="list-style-type: none"> Develop a clear vision and set of priorities for Orbis Monitor service and pan-Orbis performance Continue to raise awareness across sovereign partners and the workforce of Orbis |
| R2 | Political dissatisfaction with Orbis proposals to realise the required budget reductions | <ul style="list-style-type: none"> Proposals are not in line with political priorities Results in dissatisfaction and potential loss of funding or support | <ul style="list-style-type: none"> Prepare options for budget reductions and clearly identified consequences Engage Joint Committee in discussions regarding focus areas |
| R3 | Orbis fails to remain compliant with legislative requirements; brand negatively impacted | <ul style="list-style-type: none"> Due to reduced workforce capacity following budget reductions regulatory standards are not met Orbis brand negatively impacted posing a threat to the future sustainability | <ul style="list-style-type: none"> Document regulatory requirements and assign accountable officers Leadership to review compliance on a regular basis Compliance audits to be undertaken periodically |
| R4 | Due to a reduced workforce and service changes following financial efficiencies, Orbis is unable to meet its growth aspirations | <ul style="list-style-type: none"> Workforce does not have the capacity to respond to growth opportunities Service offer is not attractive to potential customers resulting in loss of opportunity | <ul style="list-style-type: none"> Undertake viability assessment of growth opportunities and investment required Continue to focus on service transformation to release capacity |
| R5 | Service quality is compromised due to unsustainable growth, either in type of growth or scale | <ul style="list-style-type: none"> Customer base grows at the expense of the quality of service to existing customers | <ul style="list-style-type: none"> Undertake viability assessment of growth prior to pursuit Develop and implement performance framework to maintain visibility of service quality |
| R6 | Orbis cannot effectively demonstrate value to sovereign partners due to the absence of robust performance measures and evidence | <ul style="list-style-type: none"> If value cannot be communicated to customers they may seek services from other delivery models, impacting on the sustainability of services | <ul style="list-style-type: none"> Develop and implement a performance framework to maintain visibility of service quality Maintain and develop further relationships with sovereign partners |



the compelling alternative

2021 Business Plan Staff Cards

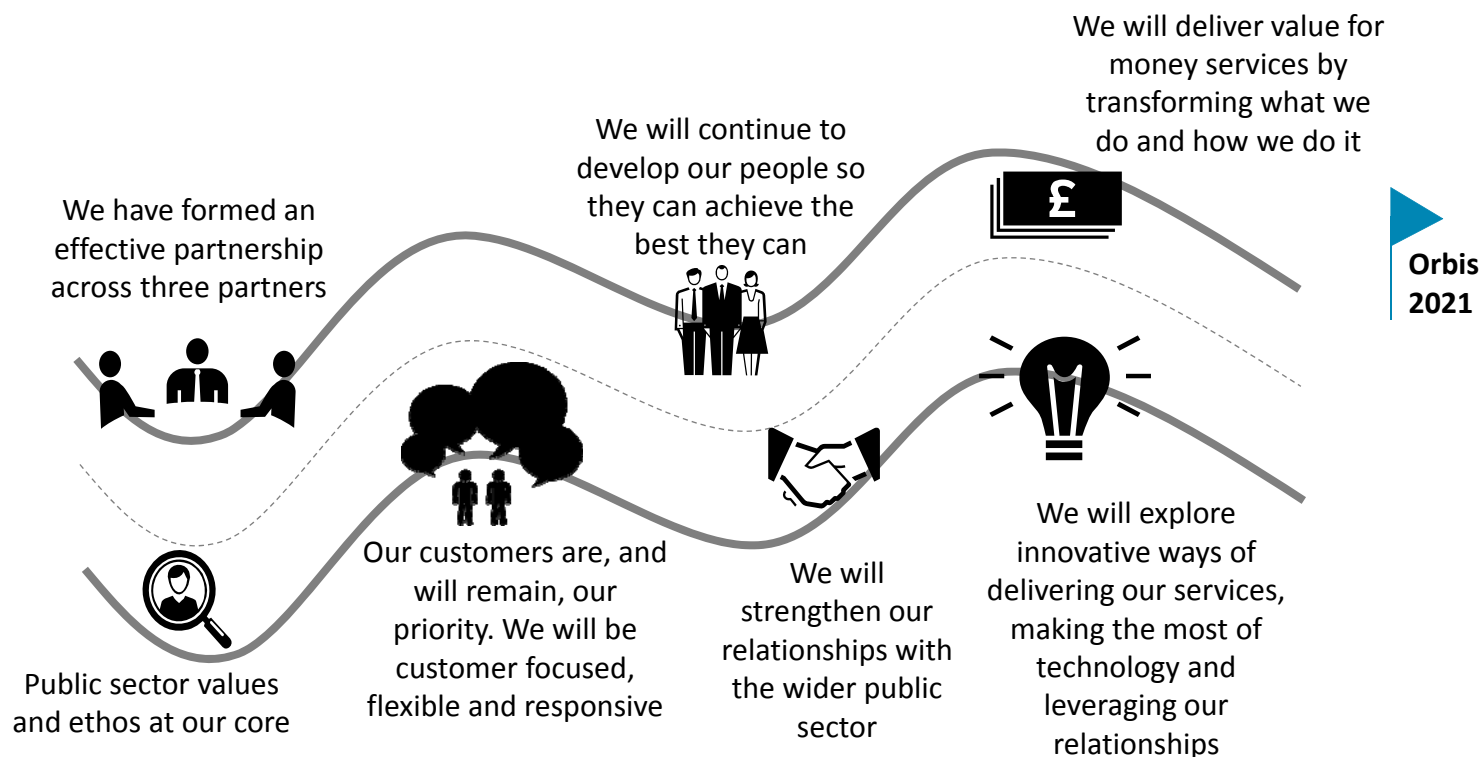
Orbis 2021 sets out what we will do during the next stage of our partnership journey. Building on what we have achieved together so far, we will continue to strive to be the ‘compelling alternative’ for our partners and deliver high quality, customer focused support services. Our public sector ethos will drive our service transformation to be as efficient and effective as we can be to deliver value to the public purse.

What do we want to achieve by 2021?

Our strong public sector ethos continues to be at our core. What matters most to us is providing a high quality service to our customers and one that offers value for money. Our public sector ethos and desire to be the ‘compelling alternative’ will differentiate us from other back office services.

We want to add value to our sovereign partners and continue to serve our customers effectively. We will be customer focused, flexible and responsive on this journey. Our services will be as effective as possible to meet the needs of our customers and we will strengthen our relationships with our wider public sector partners in order to do so.

We will invest most energy into serving our customers, developing our people and creating the conditions to succeed. To enable this we will get better at knowing our business, make more use of digital solutions, manage our risks and work as efficiently and effectively as we can.



How will we do this?

Develop our people

We will invest in our people to build skills, expertise and knowledge. Our people will be empowered to make decisions and shape the future delivery of our services

Cement and grow our service offer

Strengthening what we do, we will look to grow our business to generate income. The extent of our growth ambition and the nature of this will vary for each service

Transform the way we work together

We will instil a more commercial mind-set in how we work, maximise opportunities to use digital technologies and explore different models of delivery to be as efficient as we can

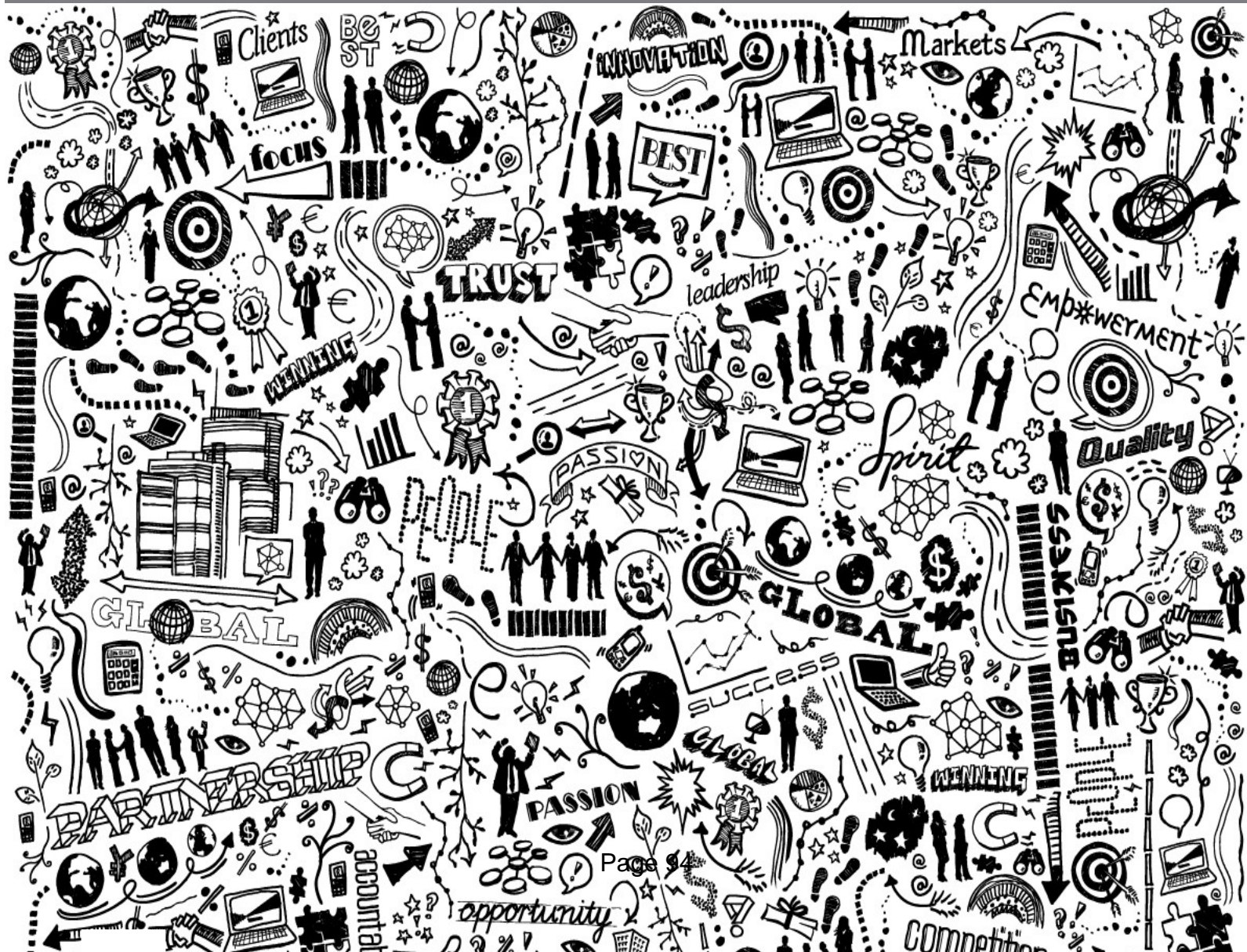
Structure ourselves to succeed

We will ensure we have the tools and frameworks in place to deliver what we have set out to do and monitor the progress we are making along the way

1. Where are we now?



What is Orbis?



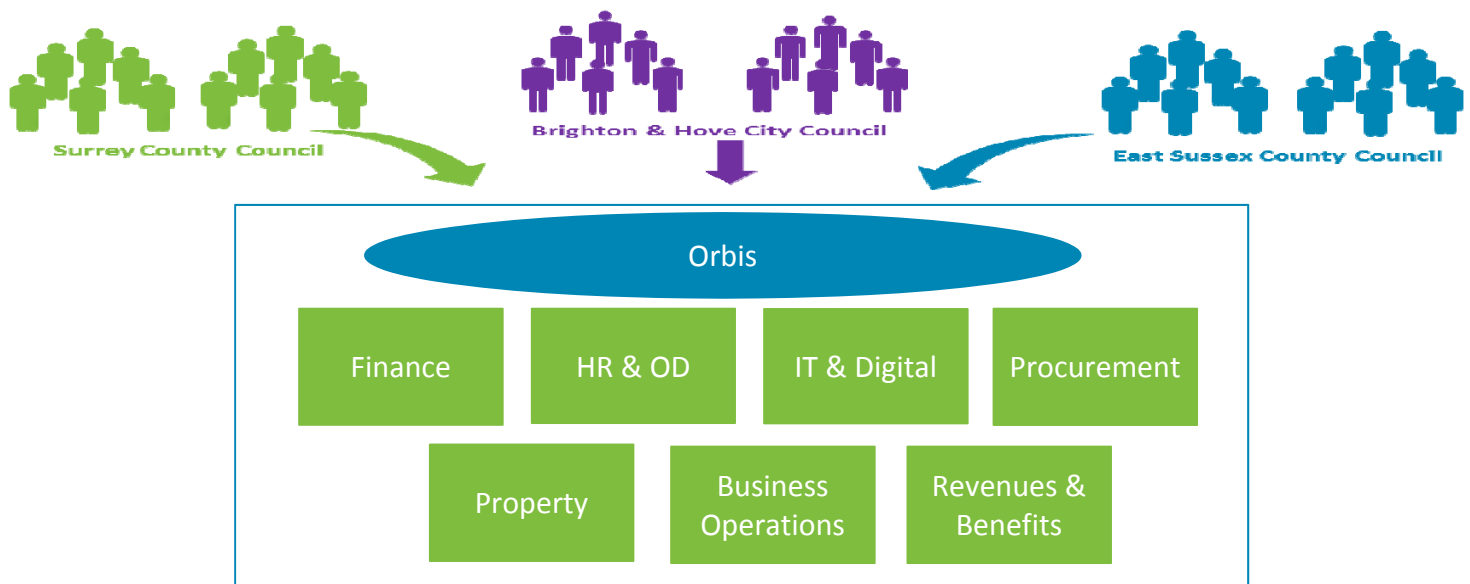
Orbis is a Public Sector Partnership between Surrey County Council, East Sussex County Council and Brighton and Hove City Council. We formed Orbis to provide high quality services to our customers and retain public sector money and expertise within the partnership.

Why Orbis?

Orbis was created to:

- Drive efficiencies by standardising the way we work and removing duplication
- Share resources, expertise and knowledge to identify best practice approaches that best meet the need of our customers
- Create greater operational resilience
- Deliver greater value for money, placing customers at the heart of everything that we do
- Improve customer service and enable customers to access services more easily

What does Orbis include?



Where are we today?



Orbis has....

2000
employees

£61.5m
joint
operating
budget

360
schools

51,350
customers

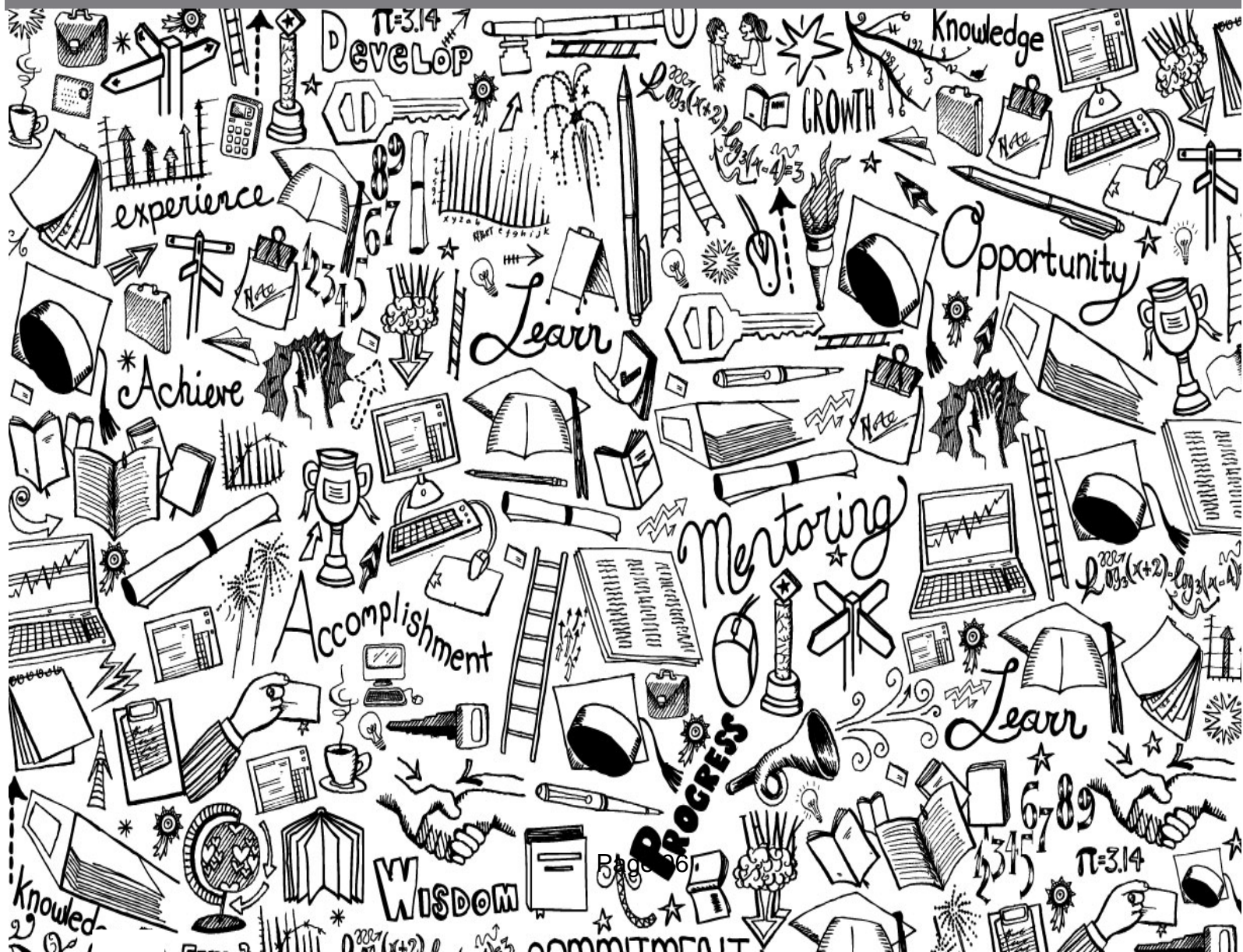
Working
across
3 councils

Page 95
30+
external
organisations

40
academies

The Orbis logo features a stylized 'o' composed of three overlapping circles in shades of blue, green, and purple, followed by the word 'rbis' in a bold, green, sans-serif font.

The “compelling alternative”



Providing excellent customer focused services and delivering public value are at the core of our ambition. We will do this through combining our expertise, innovation and passion. We believe that our vision for the “compelling alternative” truly differentiates us from others.

Orbis

The Compelling Alternative

“A trusted partnership delivering value to customers and residents through our expertise, innovation and passion.”

epic

Expertise

Passion

Innovation

Customer



We are working in partnership to achieve results

We are founded on strong partnership working in the South East typified by the South East 7 partnership of all the Tier 1 Councils in the region. Surrey and East Sussex County Councils built on this with partnership working in business services initiated in 2012. Brighton and Hove City Council committed to engaging with this partnership working and in 2016 confirmed their intent to take up founding partner status in Orbis which was formalised in May 2017. This is a testament to the strength of partnership working and the compelling opportunities in Orbis



We deliver with passion for our customer

Working in the public sector we understand the needs of our customers and are passionate about making a difference in our local communities.



We think differently

We want to challenge the status quo and provide a better level of service to our partners and customers. We will do this by working in collaboration, using our expertise, skills and extensive experience to come up with innovative solutions to enhance the services we currently provide.

EPIC
people

We have EPIC people

Our people are our unique differentiator. Together we bring the knowledge and expertise of our employees, committed to delivering high quality services for our residents.



We will provide value for money

Working together we can transform services to improve quality whilst driving efficiencies to deliver better value for money services.



Celebrating success



Working collaboratively together we have built some strong foundations for the future. Orbis is the largest shared service partnership nationally and we have been recognised externally for the high quality services we provide and the investment we have made in our people.

By working together we have:



Continued to **provide back office services** to the three sovereign partners in challenging times, making better use of resources through collaboration and sharing expertise



Built and maintained a **strong relationship with our customers** who are at the heart of what we do



Incorporated **Brighton & Hove** as the third and final founding partner in May 2017 who have strengthened our partnership– a great testament to our achievements so far



Integrated leadership across three authorities



Developed **EPIC behaviours** and created an EPIC champion network to help us to improve the way we work together



Launched a **new performance and development framework** to support our staff



Received **external recognition for our achievements** – we have won numerous awards for culture, innovation, social value and efficiency



Made our services more efficient and delivered £4.5m savings in Year 1 – including the early delivery of £2.9m of savings. Planned savings for Year 2 and 3 are in delivery





Our journey to date



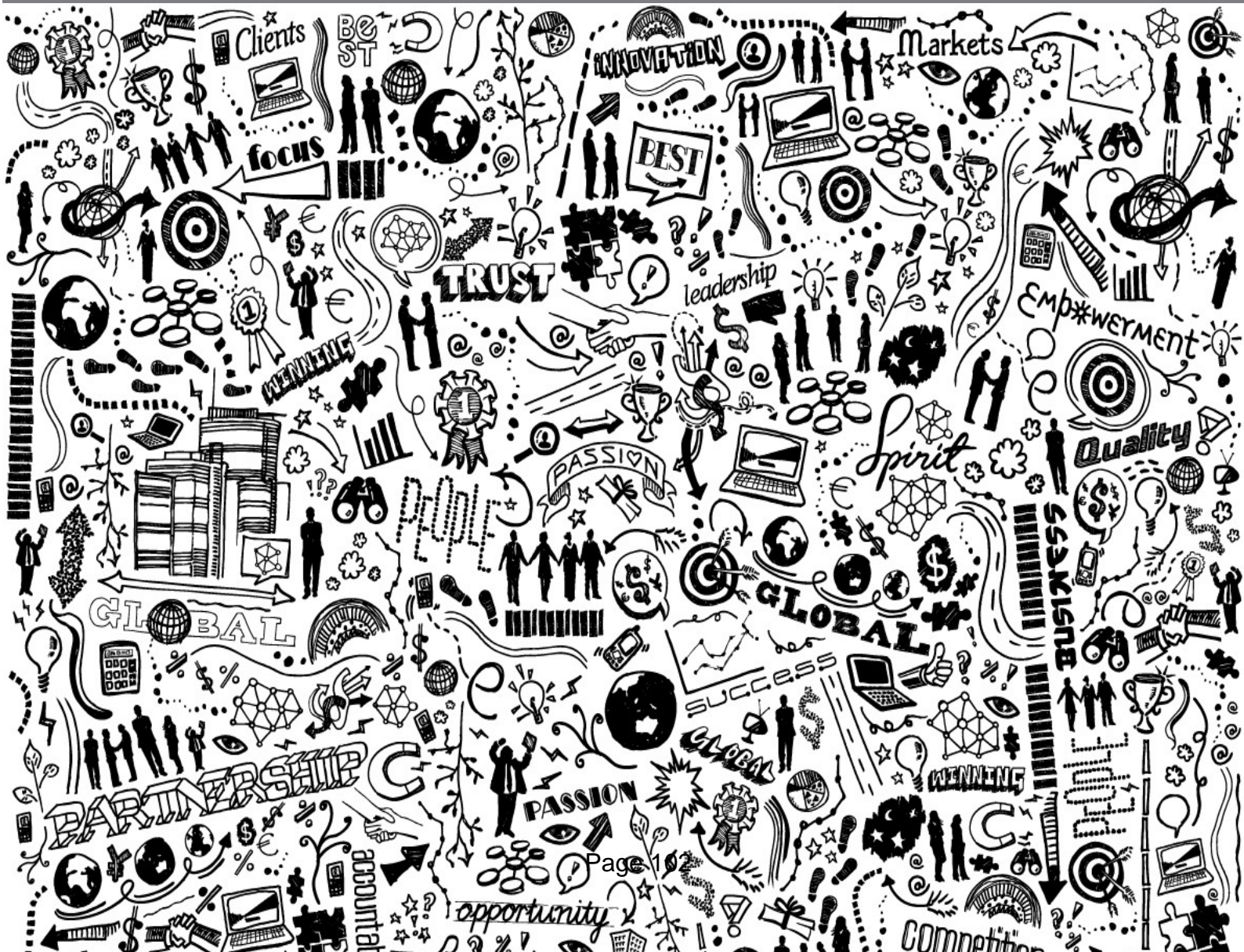
Since forming Orbis in 2015 and incorporating Brighton and Hove in 2017, we have made good progress in establishing a public sector shared service across three authorities. We can be proud of what we have achieved together but we want to continue to integrate and transform our services, to ensure we remain the public sector provider of choice for our partners and offer value for money for local residents.

Knowing what we are doing well and what we need to improve is important to us, so we can continue to provide a high quality service to our customers. We have considered how we are performing against some key characteristics of successful shared services, comparing ourselves against 'leading edge' organisations.

| Component | What are we doing well? | What do we need to improve? |
|------------------------------------|---|---|
| Customer | Our public sector ethos remains strong. We can respond flexibly to our customers' needs and regularly seek to improve the customer experience | We don't always ask our customers for feedback as much as we should. We want to involve our customers more in developing and planning our services |
| Processes and Controls | We have started to review our processes across our sites so we can work more efficiently together and avoid doing things twice | We can still make processes more efficient across the partnership and explore opportunities to automate these where possible |
| People | We have invested in developing our staff through access to secondments, the Ingenium talent programme and the development of EPIC behaviours | Build on the initiatives we have developed but ensure they are embedded across the whole partnership at every level |
| Organisation and Leadership | We have kept a strong focus on our vision and Orbis principles to integrate our services | We want every single person in Orbis to understand what we are about and what we want to achieve. We also want to empower our staff to make more decisions |
| Technology | We have an established process in place to prioritise our investment in the things that will make the biggest difference to our business | We need to be clearer on what technology we have, what it can help us achieve and how it can move faster when rolling out new solutions |
| Data | We have begun to explore how we improve our data quality through the use of analytics and automation | We need to rationalise the number of systems we use and improve the consistency of how we record and manage data |
| Performance Management | Our services respond well to the needs of our customers and each service regularly monitors how they are performing | We need to define the scope of our services more clearly to help manage demand. Orbis wide metrics to guide delivery against the new business plan need to be developed |



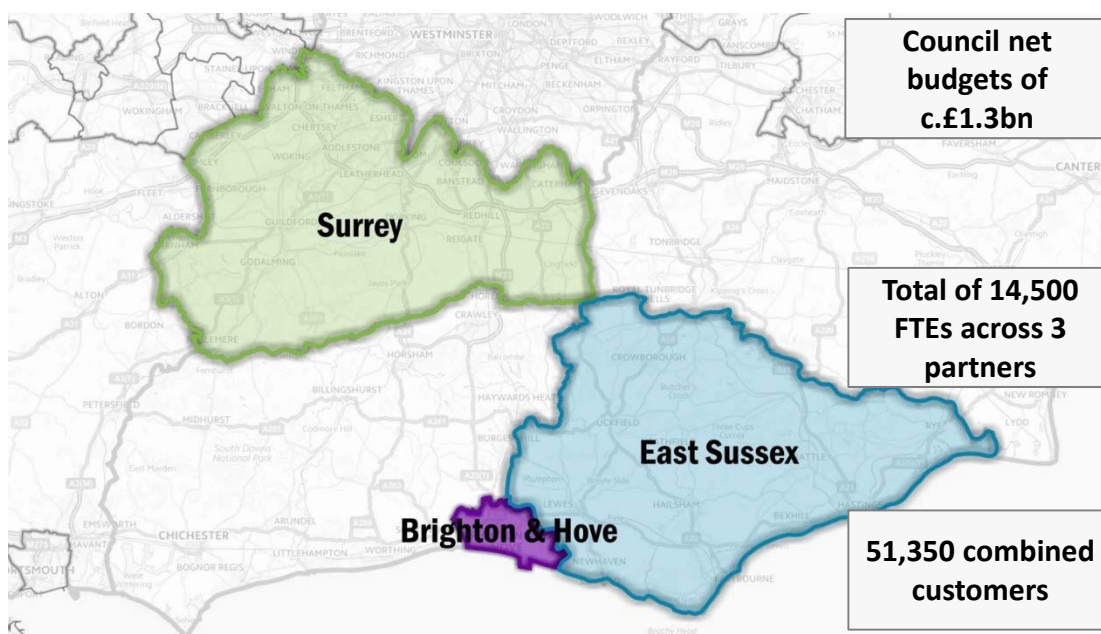
Our partner context



We have three unique sovereign partners. Orbis needs to be equipped to understand what they need from their back office services and how priorities may need to adapt over the next three years.

The aim of Orbis is to drive value for our councils, customers and residents. Our sovereign councils are under pressure to achieve significant financial savings to off-set budget cuts from central government. Ever £1 saved or made by Orbis is £1 our councils don't have to save. This means more funding can be diverted to where it is needed most – adult social care, children's schools and families services, libraries, highways and other frontline services.

Who are the Orbis partners?



What are the key areas of focus for our sovereign councils?

Financial austerity



We have delivered significant savings in recent years but financial pressures are set to continue. Our councils will have to balance competing priorities and transform services even further

Delivering services differently

To manage a reducing budget and greater demand for services, our sovereign councils will need to explore how services can be delivered differently to continue to meet outcomes



Digitalisation



To better connect with our residents we need to develop our digital channels and explore how we can use technology to underpin our core services

Integration

Breaking down organisational boundaries, for example across health and social care, is becoming more important. Services need to be holistic across the public sector



2. Where do we want to be by 2021?



Our Vision



As Orbis we will strive to be the best we can. We have an ambitious vision for the partnership we want to become by 2027 to ensure we continue to be the “compelling alternative”. Our 2021 Business Plan is focused on progressing the next stage in our journey towards this.

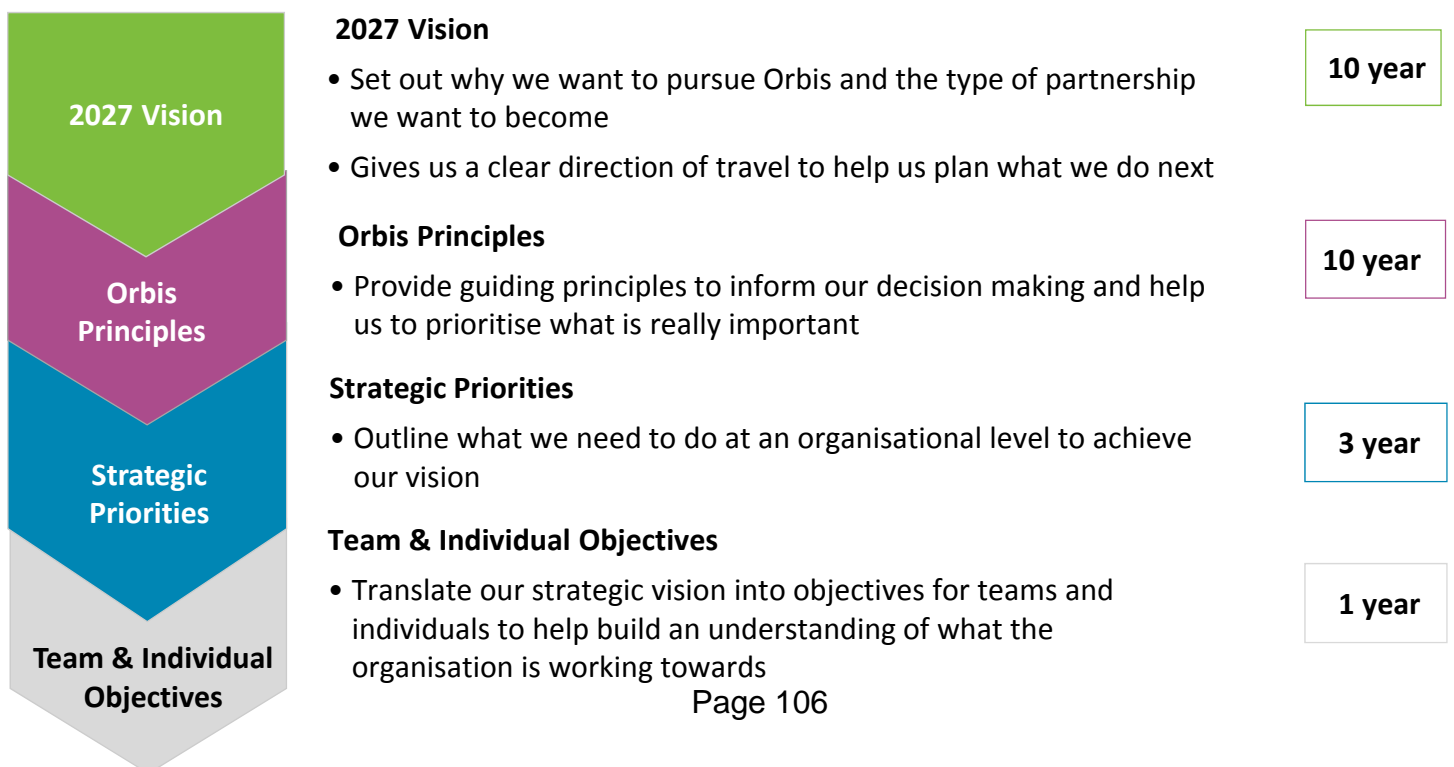
By 2027 we want to:



How will our 2027 vision drive how we operate?

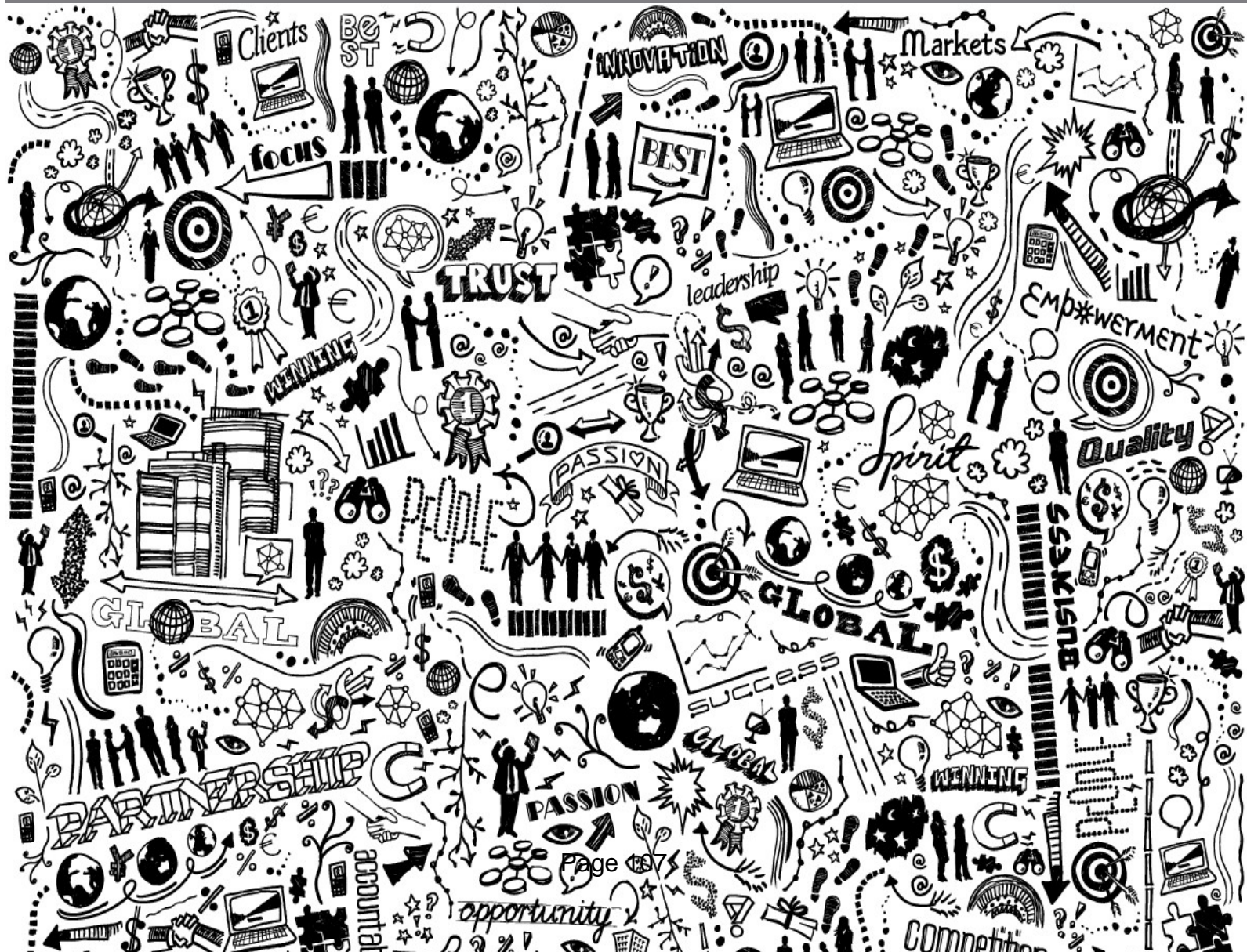
What will be in place? What will this do?

Timeframe





Our priorities



What are our priorities?

Our Primary Priorities – what we will invest most energy into

| Priority | 1 | 2 | 3 |
|----------------------|--|---|--|
| | Serve our Customers | Develop our People | Create Conditions for Success |
| Orbis Principle | Place the customer at the heart of everything we do | Have a workforce who are proud and passionate and given the opportunity to succeed and flourish | Embed a partnership culture, empowering our people to make decisions based on the right thing for our business and our customers |
| What does this mean? | <ul style="list-style-type: none"> ✓ Develop a performance dashboard ✓ Seek customer feedback ✓ Improve how customers access our services ✓ Develop customer insight | <ul style="list-style-type: none"> ✓ Embed EPIC behaviours ✓ Promote secondments and development opportunities ✓ Communicate with our people ✓ Provide training opportunities | <ul style="list-style-type: none"> ✓ Empower staff to make decisions ✓ Engage our people |

Our Secondary Priorities – what will underpin how we work

| Priority | 4 | 5 | 6 | 7 |
|----------------------|--|---|---|---|
| | Know our Business | Utilise Digital Solutions | Perform to our Highest | Standardise |
| Orbis Principle | <ul style="list-style-type: none"> • Be the public services supplier of choice, allowing our existing and future partners to benefit from our increased standardisation, insight and reduced duplication • Have a thriving business which is sustainable now and in the future | | | |
| What does this mean? | <ul style="list-style-type: none"> ✓ Invest in analytics ✓ Improve data management to reduce manual input | <ul style="list-style-type: none"> ✓ Develop our technical skills ✓ Evaluate the value we add from digital solutions ✓ Help staff to understand what the systems can do ✓ Explore how we could automate our processes | <ul style="list-style-type: none"> ✓ Identify and manage the risks to our business ✓ Reduce our costs where we can ✓ Be flexible in our approach | <ul style="list-style-type: none"> ✓ Continue to standardise our ways of working ✓ Consistently review our processes to increase efficiency |



Investing in our people

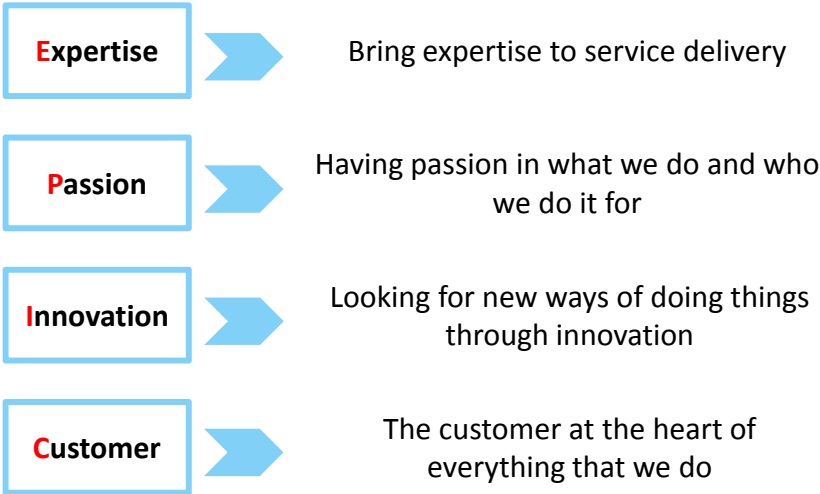


Our people are our unique differentiator; the success of our partnership is dependent upon the people that work within it. We want to create the ‘Orbis way of working’ to bring together the knowledge and expertise of our staff coupled with the behaviours and attributes to deliver our vision.

Since forming our partnership we have worked with staff to develop our EPIC culture and behaviours to guide the way we work.

The EPIC culture

The EPIC behaviours



We will continue to invest in developing our people further during the next stage of our partnership journey. Our aspiration is for EPIC behaviours to be consistently embedded across all levels of the partnership and we recognise that we have some way to go to achieving this. We have therefore identified a priority focus area for each year up to 2021 to support our day to day work. This priority area will not be the only element of the people agenda we invest in but will ensure we can dedicate time to building our workforce for the future.

Alongside our day to day work and the ongoing journey to embed the EPIC behaviours, we will dedicate time to:

1

Create the conditions for success

- Help people to understand what EPIC behaviours really mean in practice
- Ensure there is a consistent understanding of what it means to be a leader in Orbis
- Build stronger networks across the Orbis community

2

Enable our people to realise their full potential

- Review the opportunities we offer for personal development
- Refresh the tools and programmes available to staff to develop their skills and knowledge

3

Bring EPIC people into the partnership

- Review how we attract the best talent
- Explore how we can access skills and expertise as we need them through flexible contracts
- Further develop and embed the Orbis induction programme

orbis

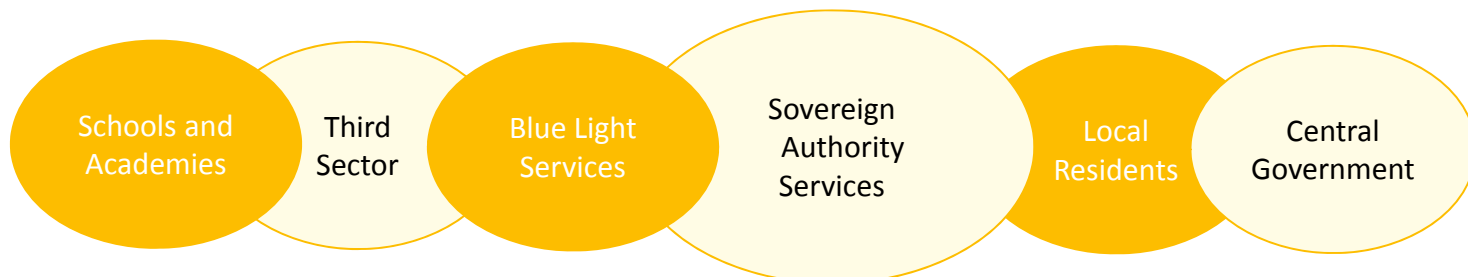
Customer



Orbis is a customer focused service. We want to provide efficient, effective and insightful support and advice to enable our customers to deliver high quality services to our local residents.

Who are our customers?

We have a wide and diverse customer base, with our sovereign partners at the core. The number of external services varies per service based on the unique service offerings. Over the next few years we expect to grow our customer base further, both in terms of the volume and breath.



How does Orbis benefit customers?



Better access to services

The customer journey will be re-designed to make it as simple and easy to access services as possible. Customers will increasingly be able to access services at a time that suits them



Improved quality

Customers will benefit from access to a wider pool of skills, experience and expertise that will drive innovation and improvements in the services they receive



More efficient processes

By improving access to our services we will give our customers the outcomes they want more easily and quickly



Greater resilience

Working in partnership across three large authorities enables us to respond more easily to fluctuations in demand



Value for money

By combining our collective expertise and resources and changing the way we work, we will ensure the services we provide are efficient and effective to deliver value for money for our customers

What changes can customers expect to see up to 2021?



Growth

A larger customer base to strengthen our offer



Self service

New technology and delivery models will enable customers to help themselves



A recognised brand

We will continue to build awareness of Orbis across the public sector and beyond

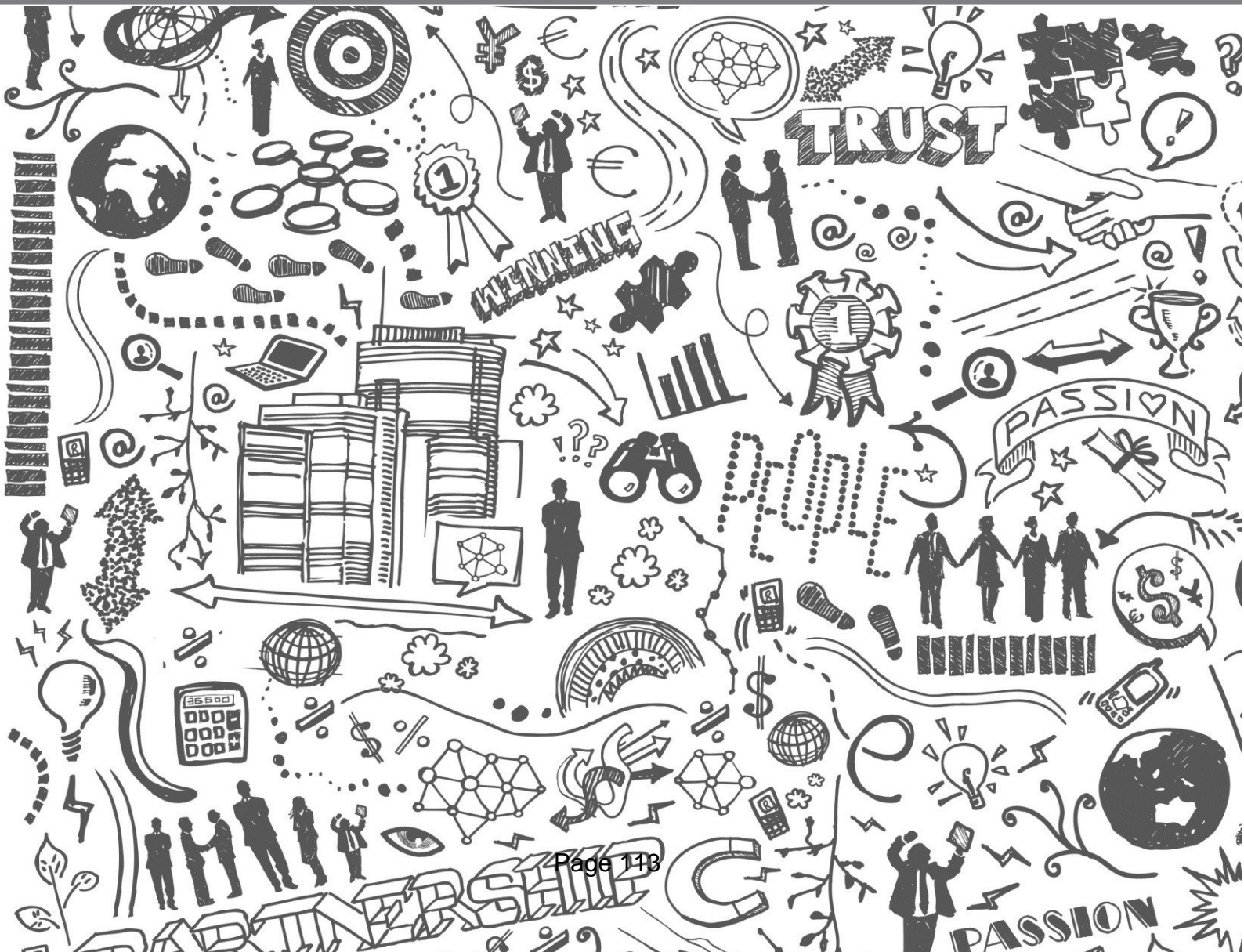


Modern, digitally enabled services

We will utilise technology to improve our services



Staff



By 2021 the way we work will be different. Our journey will be both exciting and challenging and our staff will be fundamental to us remaining a successful partnership. Our commitment to you is to listen to your views and opinions, work together to make Orbis an exciting and rewarding place to work and to continue delivering services to our customers that we can be proud of.

It is a great time to be part of Orbis. We have achieved a lot already, working collaboratively together and we have outlined an ambitious vision for the future. At the core of our business is our people, so what does being a part of Orbis really mean for our staff?

Being part of something bigger

Our staff will work with colleagues from across three local authorities. The extent of interaction with colleagues from other sites will vary depending on your role – for some this will be daily and for others more occasional but for all it offers the chance to build networks and share ideas about how to improve services and solve some of the challenges we face

More opportunities to learn and develop

We will build on the learning and development programmes we have already established to make sure staff have access both to structured learning programmes but also informal opportunities to learn from colleagues across the partnership. We are the largest shared service across local government - working across three authorities increases the number of opportunities available for those that want to try something different

Have pride in the quality of service we offer

By working together, jointly investing in services and sharing best practice we can improve the quality of service we offer to our customers. This will help sustain our partnership but importantly will make sure our sovereign partners can continue to access the support they need to deliver services to local residents

Achieve more for our local areas

Our aspiration is to work more closely with our partners so provide a rounded and streamlined service to local residents. We want to explore how we can better join up what we do with Health, Police and Education and other partners, so the service our customers receive is the best it can be

Play a key part in shaping what we do

We want to involve our staff in thinking about how we deliver services differently – what will our services of the future look and feel like? This is why we will continue to communicate and engage with you to get your ideas about what we can do differently and create the structures that empowers you to make more decisions

What changes will you see over the coming years?

You will hear more about what is Orbis is about – we want all our staff to **understand what we want to achieve**

You will have more control about what you do – we want to **empower our staff** to make decisions

Investment in **technology and digital** solutions to support you to do your job

More focus on **how we are performing** – we want to get better at knowing how well we are doing

Growth in our business – serving our localities is our priority. We will join with partners but also generate income where we can

How we deliver services will change – what we do, how we do it and when we do it will be explored

Our commitment to you

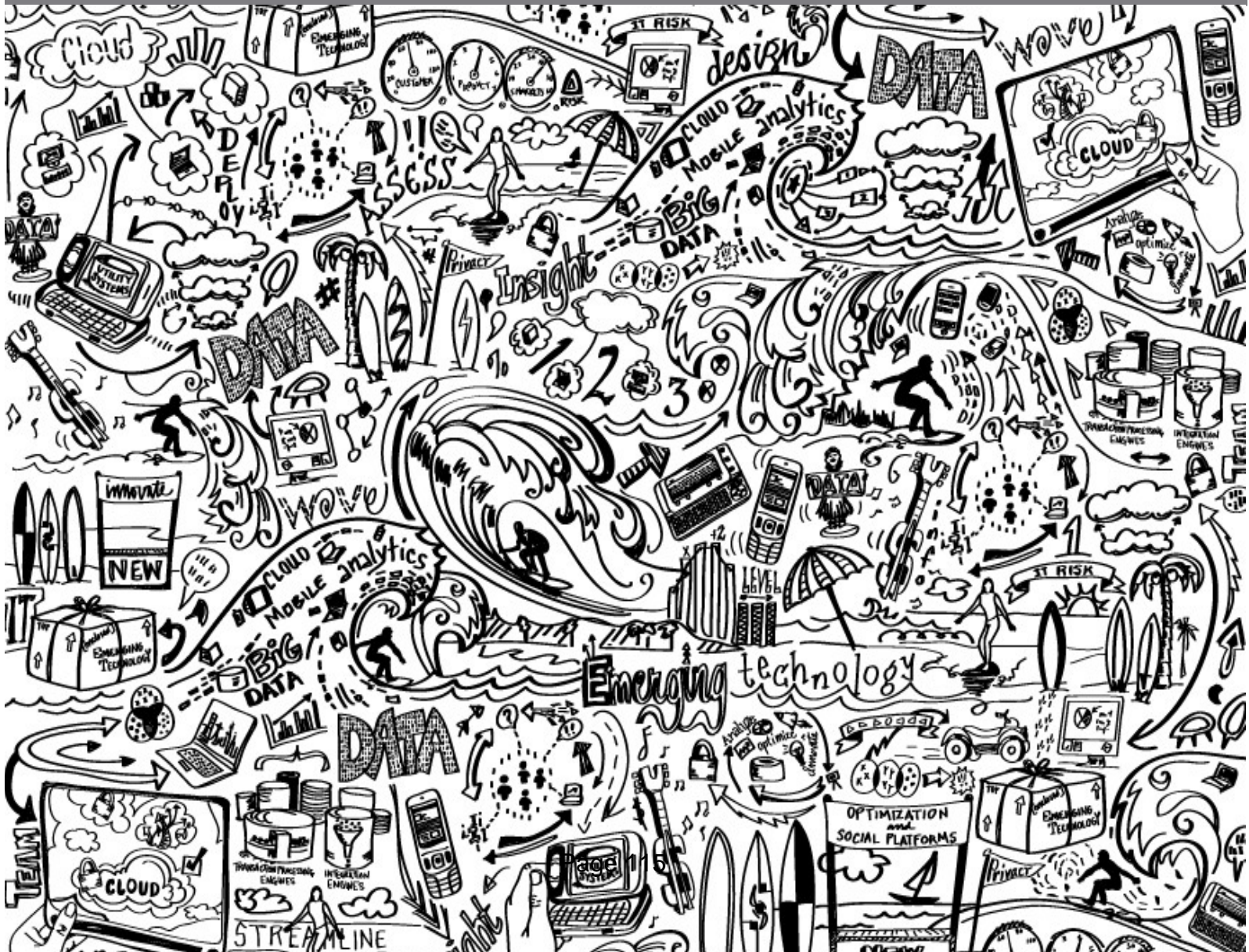
We will listen to the opinions and views of our staff

Orbis will be an **exciting and rewarding** place to work

We will deliver services to our customers that we can **be proud of**

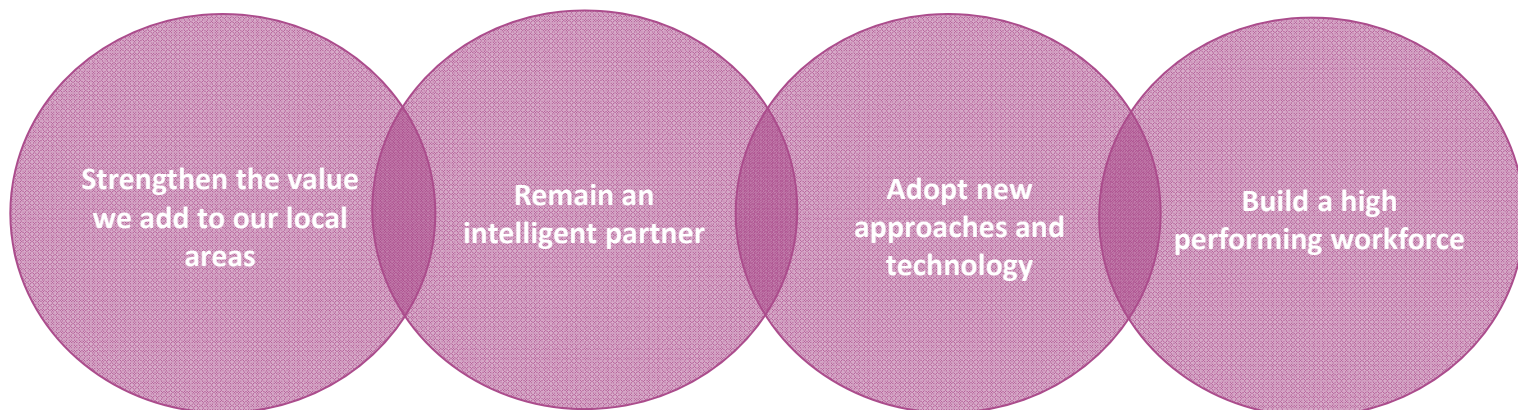


Challenges and Opportunities



The context in which we operate is changing. This presents a number of exciting opportunities for Orbis to really transform our services for the benefit of our customers across Surrey, East Sussex and Brighton & Hove. To achieve this, we will need to remain aware of any challenges that may compromise our ability to deliver our vision.

What are the key opportunities ahead?



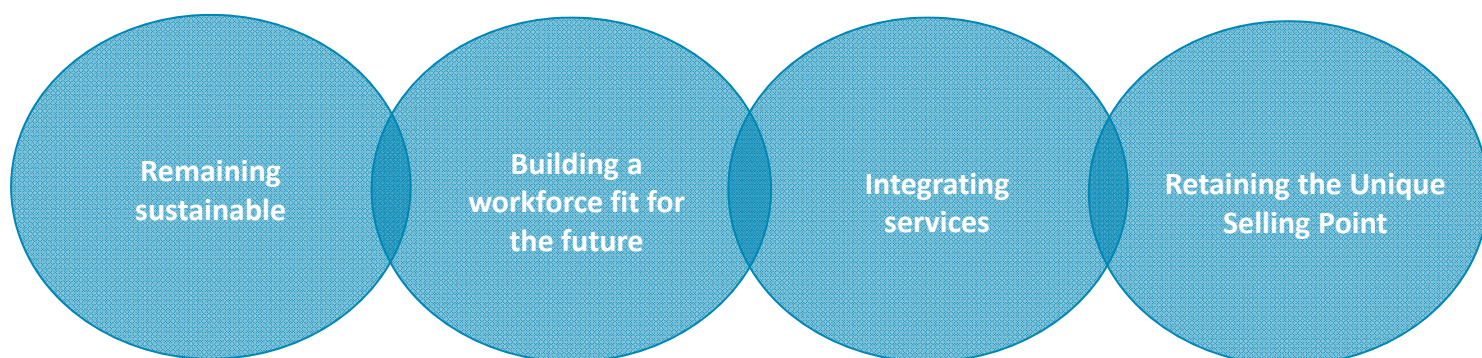
We can use our networks to expand on the services we currently deliver to local partners (e.g. health, police, education) and improve their customer experience

By better understanding the needs and trends of our customers we can be proactive in developing what we do for our sovereign partners to maximise the value we add

By approaching the way we work creatively and trying new technology we can become leading edge in how we support our local services

We can build on our brand and recruit and retain our talent within the partnership. Using the skills and experience of our people we can achieve great things

What are the key challenges we need to overcome?



To do this we need to manage demand, deliver the budget reductions our sovereign authorities require and retain our customers

We will only succeed if our workforce is agile and has the skills they need to do their job. We need to make Orbis a place people want to work

We need to simplify and standardise what we do across our services and authorities, so we operate as a strong partnership

Understanding our changing customer needs and demonstrating the value we add is essential

3. How will we get there?



Benefits



We believe we can achieve more and deliver greater benefits to our customers, staff and wider partner networks by working collaboratively together. Through further integration, transforming the way we work and generating income where we can, we will secure a wide range of benefits to achieve our vision and remain a sustainable partnership.

What benefits can we deliver together?

| | |
|---|--|
| Improve the quality of what we do | By sharing our skills, knowledge and expertise we can bring the best of what we do together for the benefit of our customers to improve the quality of the services we deliver |
| Provide more opportunities for our people | Working across three partners will enable us to provide more career development opportunities for our staff, by opening up opportunities across three partners and enabling our teams to share their skills and expertise with each other |
| Improve the customer experience | We will invest in new technology and explore different service delivery models to improve the customer journey, to make accessing our services as simple as possible |
| Become more resilient | By continuing to bring our services together we will be more resilient and be better able to respond to peaks and troughs in demand |
| Get more for our money | We can use economies of scale to our advantage and make sure we secure the best price for the products and services we buy |
| Build our customer base | By continuing to improve the quality and efficiency of what we do, and maintaining our strong public sector ethos, we will build our customer base where it is appropriate to do so, to generate income for Orbis so we can continue to be sustainable |
| Value for money | The context in which we operate means that it is essential our services deliver value for money for our sovereign partners. By transforming the way we deliver services, through new delivery models and utilising technology as effectively as we can, integrating further across the three partners and generating income we will secure value for money and respond to the budget reductions our partners require |

What financial benefits do we need to deliver?

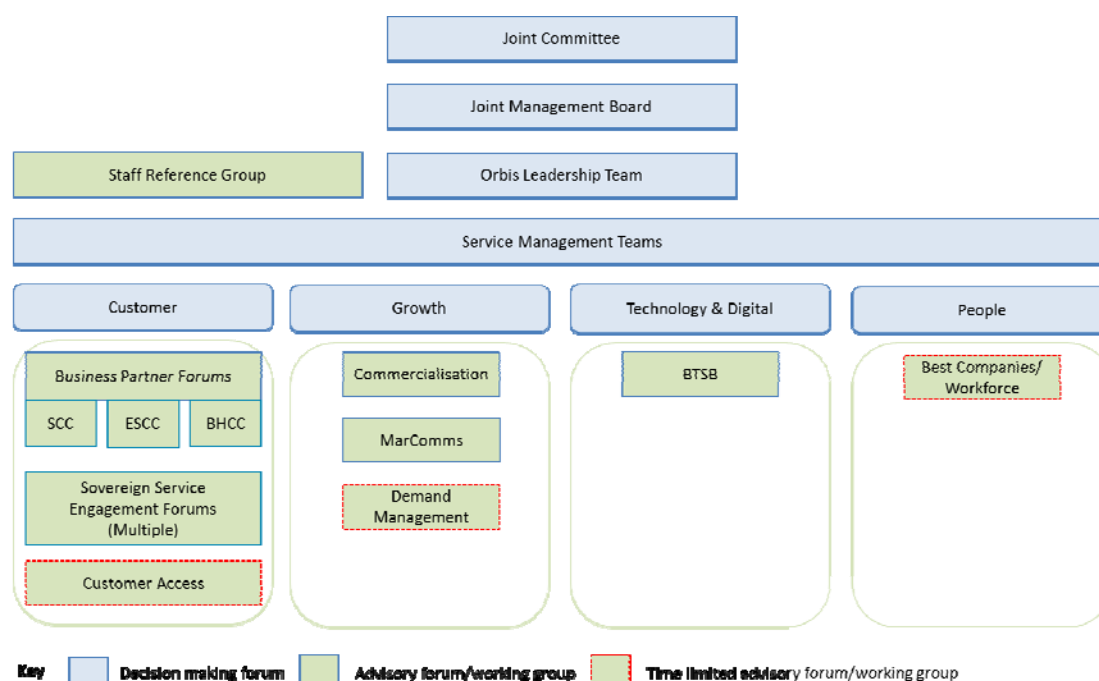
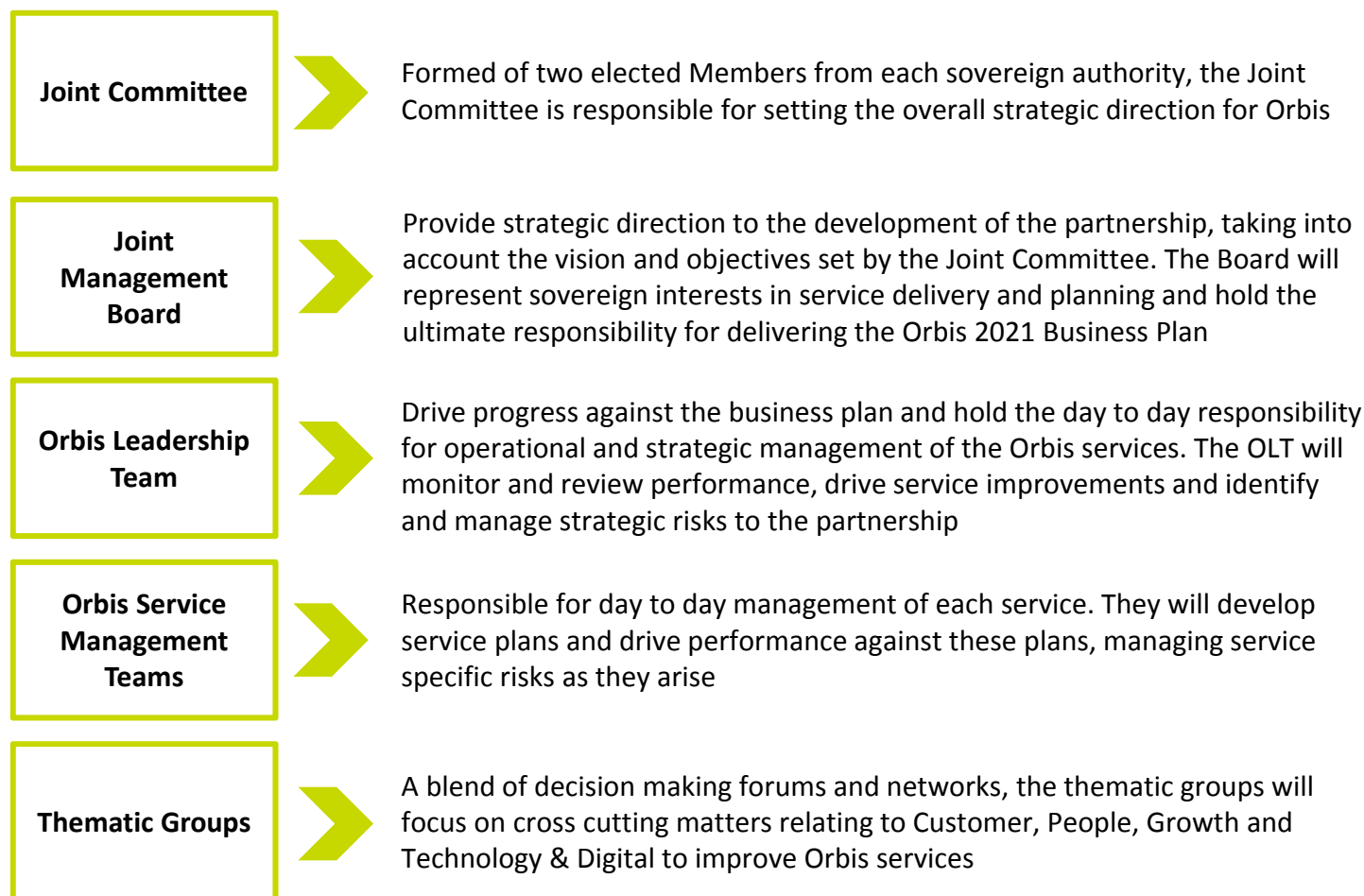
We need to reduce our budgets, either by directly making savings or generating income, by the following:

| | 18/19 | 19/20 | 20/21 | Total |
|---------------------------|-------|-------------------|-------|-------|
| Savings required per year | £4.5m | Page 119 £1.8m | £1.1m | £7.4m |



Maintaining strong public sector values and a close relationship between back office and front line services remains fundamentally important to us. Our partnership will continue with a Joint Committee structure and be supported by a number of decision making forums and networks to oversee service delivery and progress key initiatives.

We will organise ourselves to succeed by providing clarity of leadership roles and responsibilities, and defining where decisions can be made. The key elements of our decision making structure include:



This page is intentionally left blank

Annex 3

Performance Framework

Please note, this is a draft work in progress version with indicative figures and information included to provide an overview of the likely look and feel of the balanced score card.

| Strategic Risk | Initial | Revised |
|---|---------|---------|
| Capacity | L4/I4 | L4/I4 |
| Significant number of consultations in condensed period of time | L4/I4 | L4/I3 |
| Organisational financial pressures | L4/I4 | L4/I3 |
| Decision Making - due to organisational difference | L4/I4 | L3/I3 |
| People Resilience | L3/I4 | L3/I3 |
| Systems & technology | L3/I4 | L3/I3 |
| Integration of B&HCC | L4/I3 | L3/I3 |
| Future Business - Lack of proactive planning | L4/I3 | L3/I3 |
| Sustainability | L4/I4 | L4/I2 |
| Organisational Strategies | L4/I3 | L4/I2 |
| Pay Strategy | L3/I4 | L3/I2 |

Risk Management

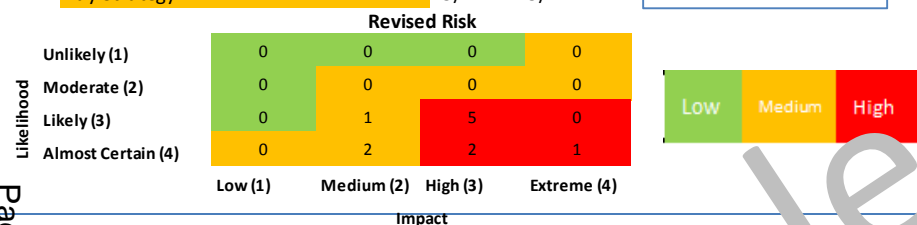
Heat map
Trend Graph
here

People Management

Performance framework



| Service | FTE | Headcount | Contracted Hours | Sickness Hours | % Absence Rate |
|-------------|------|-----------|------------------|----------------|----------------|
| HR&OD | 285 | | | | |
| Finance | 285 | | | | |
| Property | 361 | | | | |
| Procurement | 345 | | | | |
| IT&D | 507 | | | | |
| BUS Ops | 380 | | | | |
| HR&OD/DMT | | | | | |
| Total | 2008 | | | | |



Financial Management

| Service | Full Year Budget £'000 | Net Operating Budget £'000 | 2017/18 Savings £'000 | 2018/19 Savings £'000 |
|-------------|---------------------------|-------------------------------|--------------------------|--------------------------|
| BUS OPS | 9,270 | 10,270 | 500 | 188 |
| Finance | 10,161 | 10,956 | 525 | 1,131 |
| HR&OD | 4,595 | 6,377 | 400 | 783 |
| IT&D | 17,319 | 20,640 | 1,099 | 1,552 |
| Management | 449 | 2,464 | 100 | 0 |
| Procurement | 3,063 | 3,906 | 345 | 56 |
| Property | 9,861 | 11,762 | 906 | 901 |
| Total | 55,181 | 63,375 | 3,875 | 4,611 |

Key Projects / Cross Functional Opportunities

| Project | Current status | RAG |
|--------------------------|---|-------|
| Customer Access Platform | Business case being developed for investment | Amber |
| Demand Mgt | OLT initial discussion to be concluded and options agreed | Red |
| Analytics | CoE developed but currently under utilised | Amber |
| | | |
| | | |

Customer focus – Key Service metrics



Finance

- Financial Stewardship: Budget Setting
- Financial Stewardship: Budget monitoring
- Financial Stewardship: financial resilience
- Accountability: statement of accounts
- Governance: Internal audit activity

BUS OPS

- Unit Cost – Cost to serve
- Customer Satisfaction
- Operational Excellence

IT&D

- Inc/SR – Raised / Fixed
- Number of Live Projects
- Investment levels (Gartner)

Property

- Orbis Property Portfolio
- Proportion of asset types
- No of schools places delivered
- No of leases
- Planned Maintenance
- Helpdesk Calls vs reactive orders
- Carbon Reduction

Procurement

- Cash-releasing benefits
- Financial, non cash-releasing benefits
- Quantitative Benefits
- ROSMA Benchmark/ROI (annual)
- No of live projects

Revs & Bens

- Council Tax Ultimate Collection
- Business Rate Collection
- Council Tax Households
- Business Rate Properties
- Benefits claims/change to circumstances
- Average days to process
- Customer Satisfaction

HROD

- Sickness Days Sovereigns

Business Plan Progress Tracking



Customer – Measures

Our Customers believe that we provide a valuable service across all
Service areas – Customer Surveys?
We engage with customers to proactively respond to changes in Sovereign needs
Consolidated customer database?

People – Measures

Our staff feel empowered and valued – Staff survey?
Our staff are committed to working with us:
Length of Service??
P&D uptake
Training?? L&D

Organisation & Leadership

Defined Governance Structure
Review against design principles?
Staff Engagement with business plan – Staff Survey

Data – Measures

GDPR compliance – Per service RAG?
Data breaches
Analytics Centre of Expertise? Volume / service

Technology

We proactively respond to sovereign and Orbis
Wide technology requirements
We invest in our IT estate - £ invested
Architecture board – items approved/reviewed
BTSB – Items reviewed
Regularly review our Applications portfolio
Risk management ??

Process & Controls – Measures

We have a core set of standard processes within services.
Pan Orbis systems
Adaptive policies

**EAST SUSSEX COUNTY COUNCIL,
SURREY COUNTY COUNCIL AND
BRIGHTON & HOVE CITY COUNCIL**



ORBIS JOINT COMMITTEE

DATE: 19 JANUARY 2018

LEAD OFFICER: KEVIN FOSTER (CHIEF OPERATING OFFICER, EAST SUSSEX COUNTY COUNCIL), SHEILA LITTLE (DIRECTOR OF FINANCE, SURREY COUNTY COUNCIL) & DAVID KUENSSBERG (EXECUTIVE DIRECTOR FINANCE & RESOURCES, BRIGHTON & HOVE CITY COUNCIL)

SUBJECT: ORBIS HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT SERVICE UPDATE

SUMMARY OF ISSUE:

The Orbis Human Resources and Organisational Development (HR&OD) Function is progressing its integration journey required to deliver the efficiencies identified in the original Orbis Business Plan.

Following Brighton & Hove City Council joining the partnership, a three years transformation plan was considered as the more sustainable approach by the newly appointed Director of HR&OD in consultation with the Orbis Leadership Team.

This report produces an update of the progresses made to-date and an outline of the key outcomes expected for the Financial year 2018/19.

RECOMMENDATIONS:

It is recommended that:

- 1.The Joint Committee note the progresses made
- 2.The Joint Committee is sighted of the HR&OD plans to reach full integration by April 2019

REASON FOR RECOMMENDATIONS:

To ensure the Joint Committee is kept informed about the progress to-date and understands the approach being taken for the Human Resources & Organisational Development Function with regards to their Orbis aspirations to integrate.

DETAILS:

Service Update for the Human Resources & Organisational Development Function.

1. The Human Resources and Organisational Development Function started the Orbis journey towards full integration soon after Brighton & Hove City Council formally joined the Partnership.
2. Due to the challenging aspirations to achieve significant efficiencies during 2018/19 and set a sustainable platform for the future, the Senior Management Team agreed that a transformation journey was required.
3. The journey started in December 2016 and since then has been led by the Director of HR&OD and his Senior Leadership Team.
4. A simple framework based on four key components was adopted:
 - a. Strategy: co-creating and communicating the reasons for change
 - b. Structure: creating the formal set up (and organisational design); creating the informal networks, communities, teams and groups to deliver a re-defined HROD offer
 - c. Systems: Aligning systems and processes where appropriate
 - d. Skills: building the skills and culture needed to succeed in a more complex (integrated) environment
5. The attached Annex 1 captures the progress made so far for each of the above elements and key areas of focus for the year ahead (April 2018 – March 2019).

RISK MANAGEMENT AND IMPLICATIONS:

6. The Transformation and integration plans for 2018/19 will identify the financial and non-financial risks along with proposed treatments.

Financial and Value for Money Implications

7. The cost of the proposed next steps required to achieve the new HR&OD Integrated model and consequent funding are incorporated in the Orbis Business Plan.

WHAT HAPPENS NEXT:

8. Detailed plans focused primarily on the HR&OD system landscape and the development of staff skills will be produced / co-created in collaboration with Staff, Stakeholders, Orbis IT&D, Procurement, Finance and Business Operation Colleagues.

Contact Officer:

Sergio Sgambellone, Director of HR&OD – Orbis, 01273 482780

Consulted:

Kevin Foster – Chief Operating Officer

Sheila Little – Director of Finance

David Kuenssberg - Executive Director of Finance & Resources

Adrian Stockbridge – Orbis Programme Manager

Annexes:

Annex 1 - Service Update slides.

Sources/background papers:

- None
-

This page is intentionally left blank



HUMAN RESOURCES & ORGANISATIONAL DEVELOPMENT

OUR STORY [2016-2019]

JOINT COMMITTEE – JANUARY 2018

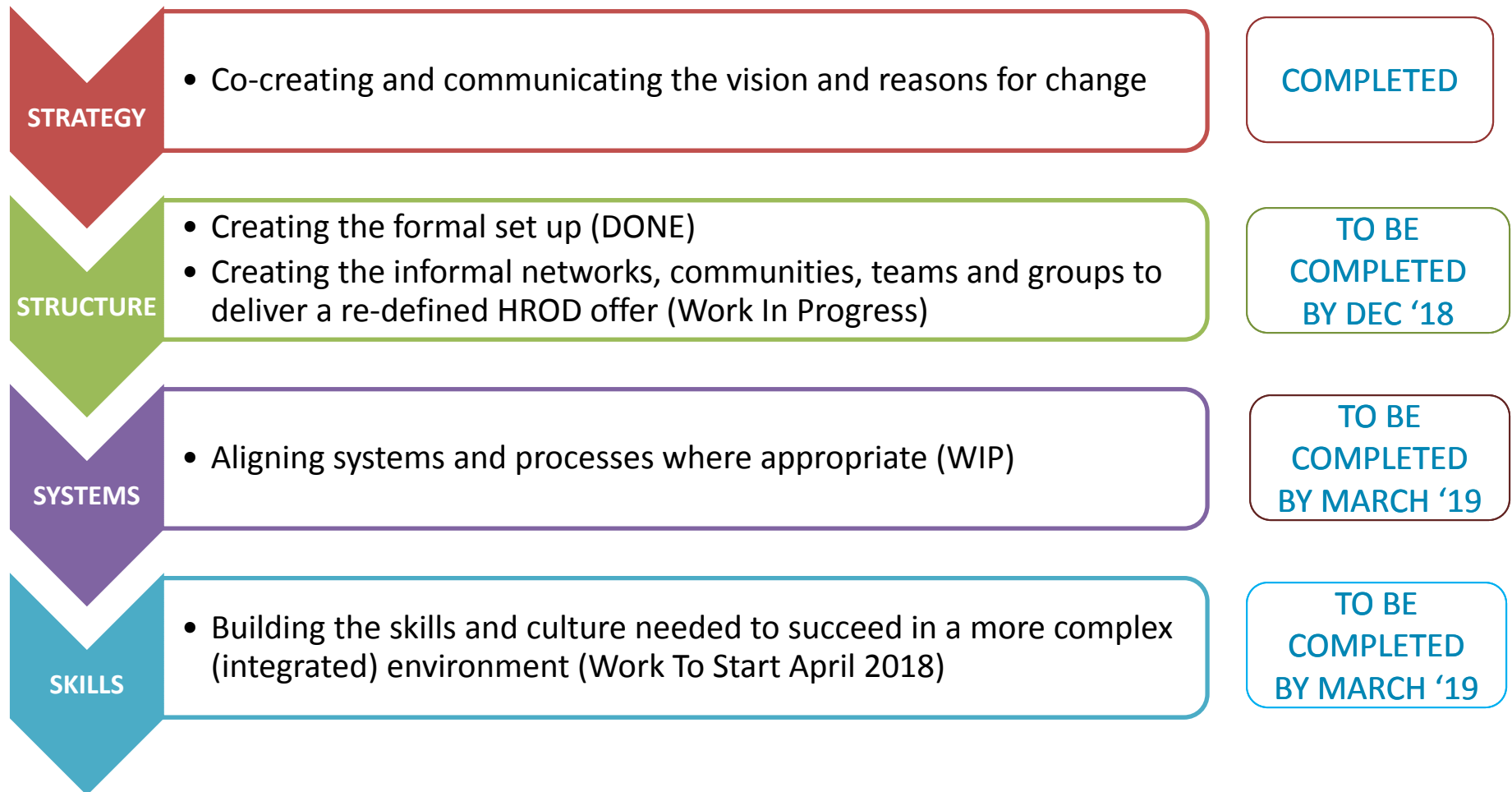
Sergio Sgambellone – Director HROD



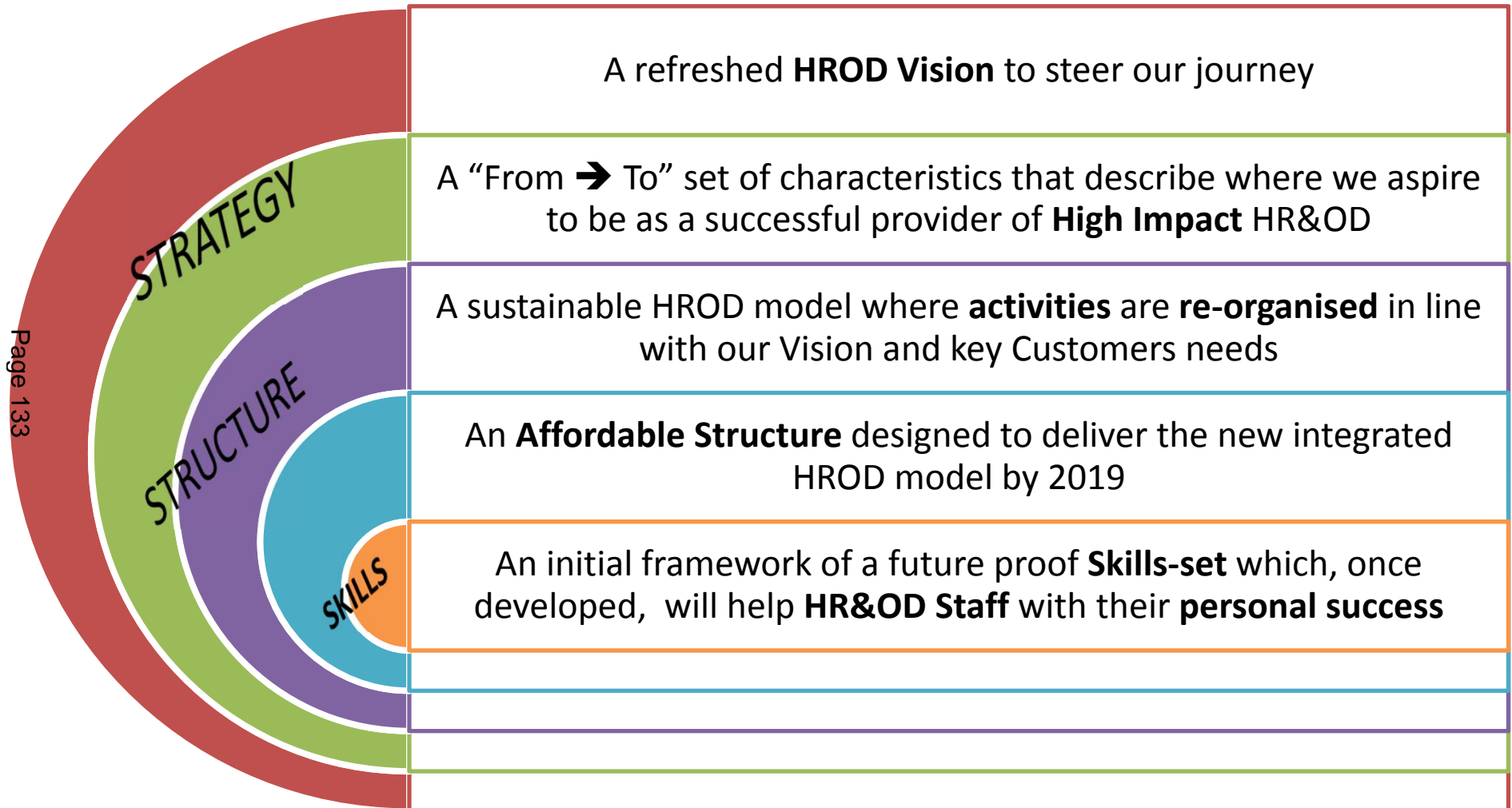
We started our HROD Transformation Journey in December 2016 by adopting a simple framework



Page 132



Over the past 12 months we have co-designed:



HROD CO-CREATED VISION



Why we exist

“To enable Organisations and workforces to achieve their very best”

Our ambition and where we are going

“By 2025 we will be the HROD Services provider of choice to the Public Sector in the South East”

How we get there

“By constantly maximising our affordable offer and delighting customers and partners with seamless and flexible services that anticipate and meet their changing needs”

The compelling alternative

HROD CO-CREATED FROM → TO JOURNEY

| Traditional Sovereign HROD Delivery Model [FROM] → | | The new HIGH IMPACT ORBIS HROD Model we aim to achieve TO | |
|--|---|---|---|
| Federated | → | Coordinated | Silos created by federated models will go. In their place we will have established increased coordination within HROD as well as among HROD, Customers and other Orbis enabling functions |
| Generic | → | Consultant | We will work closer to Customers using data and analytics from Orbis technologies to deliver meaningful People and Organisational insights |
| Static | → | Fluid | HROD talent will collaborate to deliver creative solutions. Static, department-focused HR functions must give way to teams that organise around Sovereign priorities. Some teams will be ad-hoc and others long term. |
| Centre | → | Network | Ivory towers perceived services will be redefined with networks and communities working across the Partnership with a balance of HROD and virtual/Customer resources with deep expertise in People and Organisational matters |
| Administrative | → | Operational | Transactional services will contribute to deliver high impact HROD through greater expertise in Operational effectiveness |
| Technology | → | Digital Experience | Newer and powerful IT and Digital platforms combined with a culture of collaboration, openness and knowledge sharing will transform connections and relationships between HROD and their users creating an integrated Staff and Customer Experience |

HROD 2018/19 CO-CREATED HIGH-IMPACT MODEL

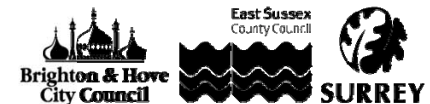


- ✓ Flatter structure with less hierarchy
- ✓ Fewer functions to reduce silo working
- ✓ Resource management and deployment to align resource to business priority and need

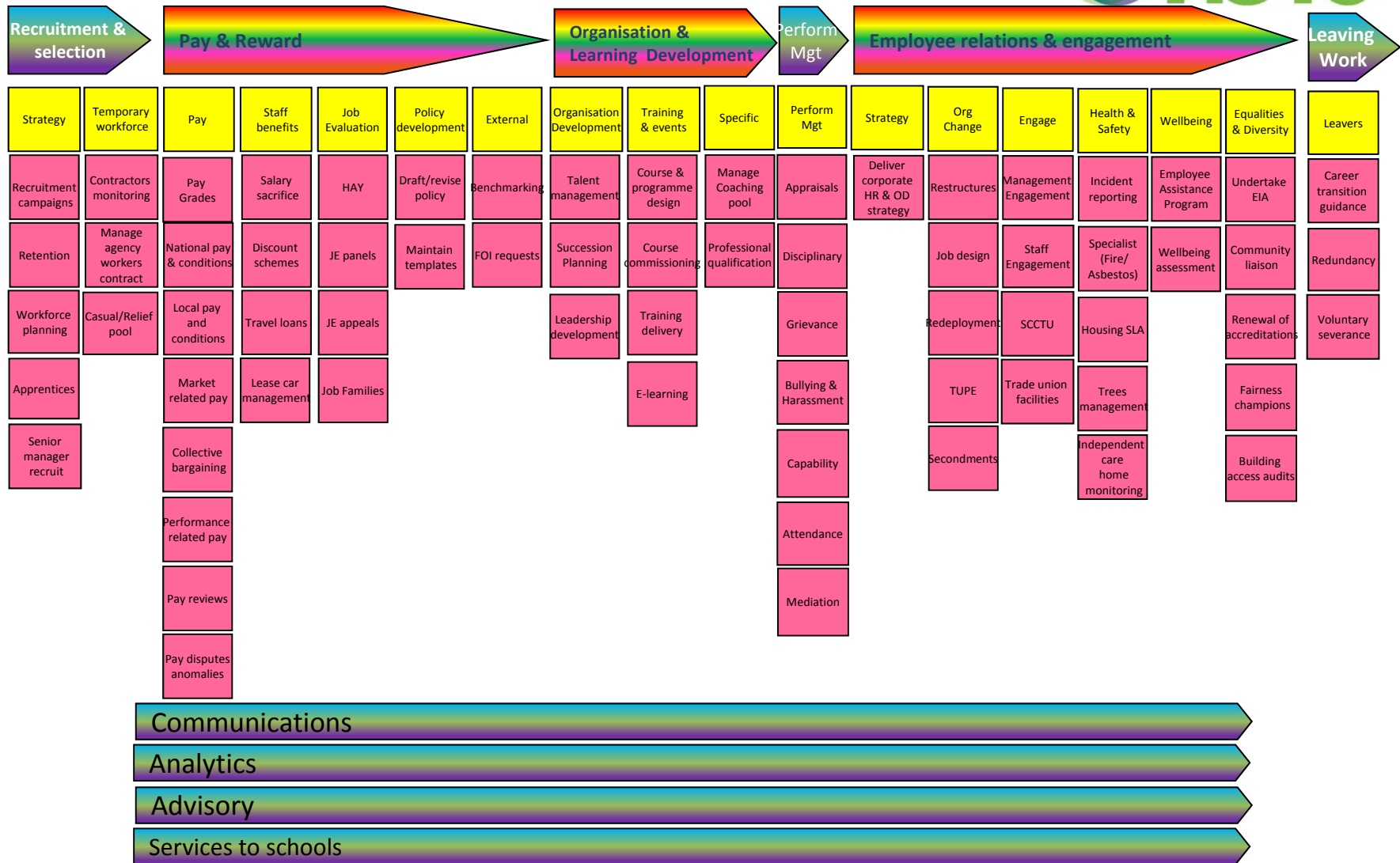


Page 136

- ✓ Capacity to transform and transition from existing HROD Model to embedded new model by April 2019
- ✓ Increased use over time of Business Operations Helpdesk
- ✓ More robust contract management
- ✓ Introduces Matrix Working / Mind-set
- ✓ Teams and individuals empowered to self manage



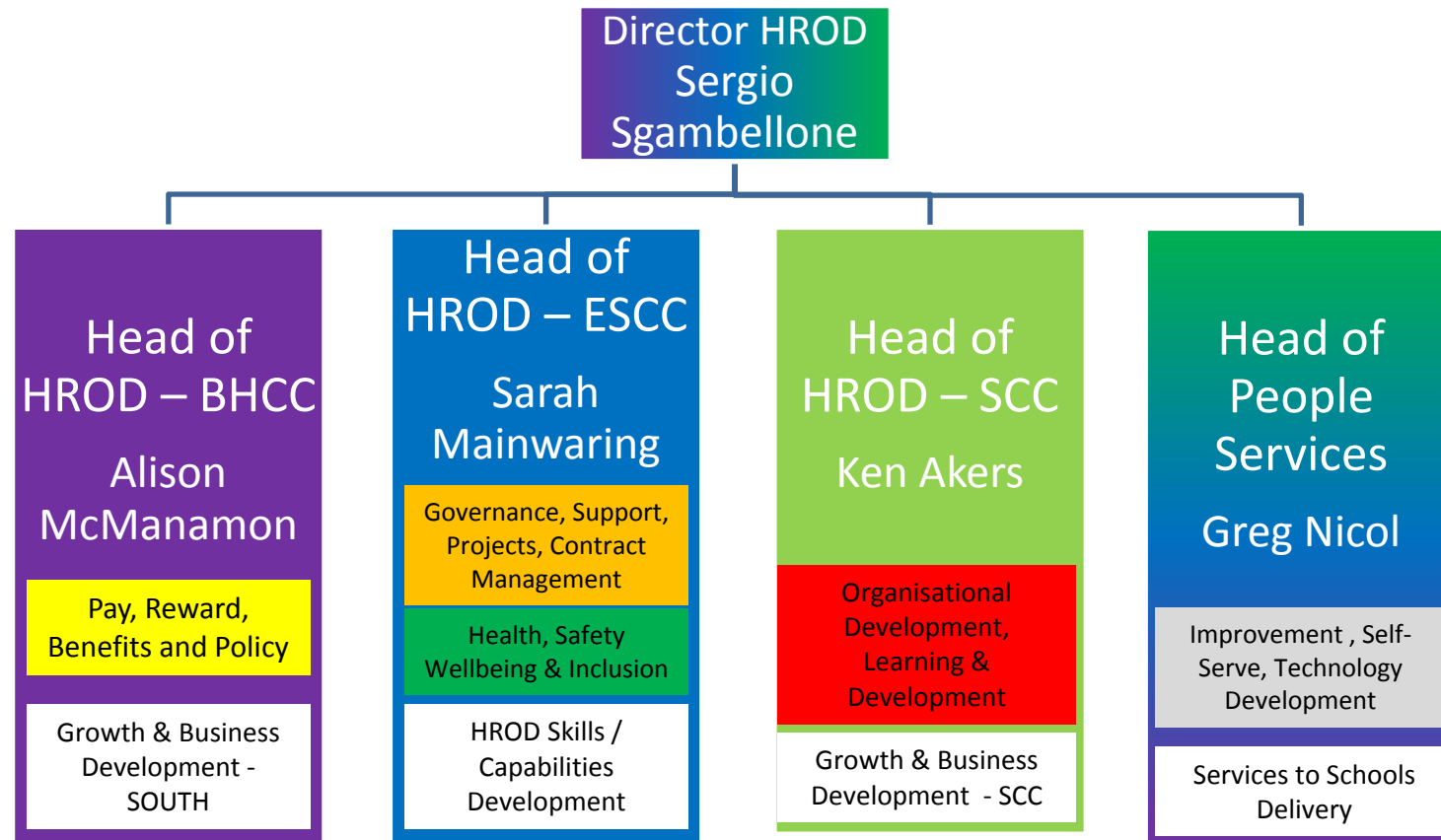
HROD 2018/19 CO-CREATED HIGH-IMPACT MODEL – An end-to-end view



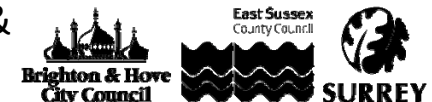
HROD 2018/19 SENIOR LEADERSHIP TEAM



Page 138



SLT LEADING ON GROWTH & DEVELOPMENT – [i.e. SCHOOLS, ASC/HEALTH INTEGRATION + NEW BUSINESS + NEW OFFER + NEW SKILLS/CAPABILITIES] – IMPROVEMENT OF SELF-SERVE, HROD TECHNOLOGY – CHANGE MANAGEMENT & TRANSFORMATION ALONGSIDE INTEGRATION OF ORGANISATIONAL SERVICES



VALUE OF NEW MODEL TO OUR CUSTOMERS

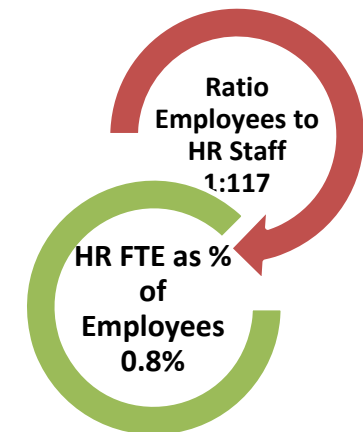
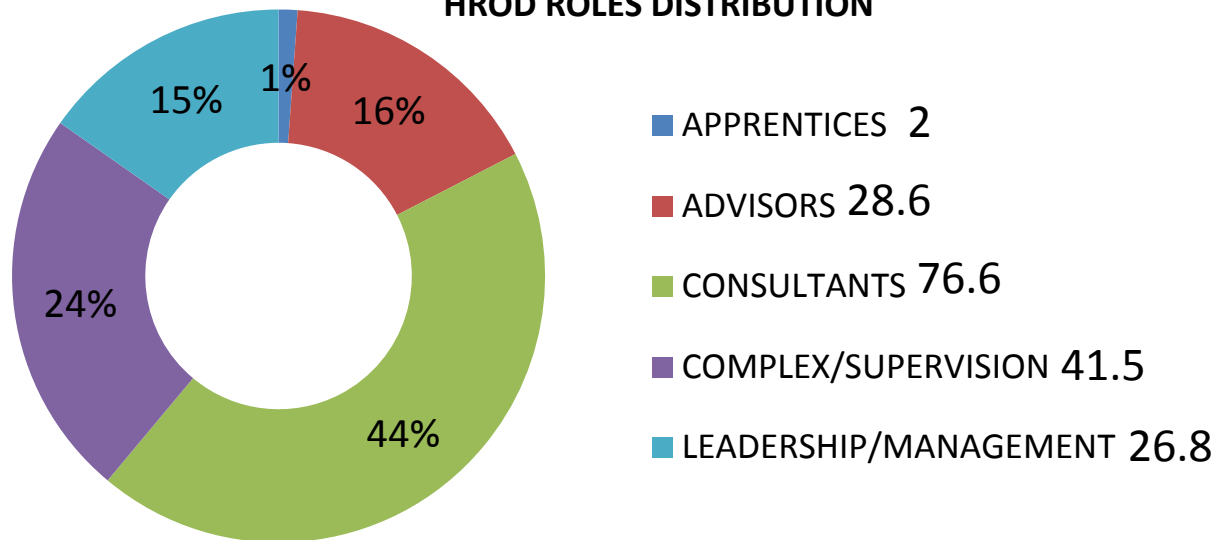


| Identified Key Customers needs in the HROD space | How the new <u>HIGH IMPACT ORBIS HROD</u> Model will address them over time |
|--|--|
| Costs pressures leading to constant change and transformation – Integration, workforce planning. | Increased coordination within HROD as well as among HROD, Customers and other Orbis functions will create the conditions for a more responsive Service offer and the creation of capacity equipped to support change, transformation, integration across Partners. |
| Talent: retention, development, attraction, recruitment strategies | We will use data and analytics to constantly review the value of our talent management related offer and its impact to Customers groups with similar challenges (Adult Social Care, Children’s Services etc..). We will learn from our respective Partners and share those learning quickly across our HROD Communities so that “Local” People Strategies can benefit from them. |
| Emerging technologies and development of digital skills | |
| Risk & Compliance | |
| Innovation no longer a “nice to have” | We will be spending less energy on controlling, policing and guiding and more on influencing, simplifying, and truly understanding the priorities of our customers so that we can then jointly develop strategies and programs which are built for Business purposes. |
| Greater Focus on culture and Leadership Development (motivated and committed Employees led by inspiring Leaders and Managers) | HR teams will understand self-service and HR analytics technology, will teach the business how to use it, and make it simple and efficient to operate. |
| | We will adopt a governance approach that might include a formal Orbis HROD Program Management Office to achieve collaboration and coordination through well-structured strategy and planning, HR calendars and roadmaps, initiative prioritisation, and reporting. |

HROD 2018/19 MODEL: RESOURCES AND COSTS TO SERVE

| HROD SERVICE AREAS IN NEW MODEL FROM APRIL 2018 | 2018/19 STAFFING FTE | 2018/19 STAFFING COSTS (£'000) |
|---|-------------------------|-----------------------------------|
| STRATEGIC SERVICES –LEADERSHIP & BUSINESS PARTNERING | 12.80 | £ 950 |
| ORGANISATIONAL SERVICES | 110.50 | £ 4,790 |
| PEOPLE SERVICES – ADVISORY & TRANSFORMATION | 52.20 | £ 2,260 |
| TOTAL STAFFING LEVELS FROM APRIL 2018 | 175.5 | £ 8,000 |
| TOTAL STAFFING LEVEL 2017 | 185.5 | |

HROD ROLES DISTRIBUTION



ORBIS HROD 2016 - 2019 - OUR FINANCIAL CONTRIBUTION



| ORBIS HROD NET EXPENDITURES JOURNEY ¹ | | | |
|---|----------------|----------------------------|----------------------|
| (£'000) | FY16/17 | FY17/18 ² | FY18/19 ³ |
| OPERATIONAL BUDGET | £ 5,002 | £ 4,675 ² | £ 5,665 |
| OPERATIONAL ACTUALS / F'CAST | £ 4,562 | £ 4,600 | |
| MANAGED ON BEHALF OF BUDGET | £ 4,221 | £ 3,825 ² | £ 4,521 |
| MANAGED ON BEHALF OF ACTUALS / F'CAST | £ 3,370 | £ 3,280 | |
| TOTAL NET BUDGET | £ 9,223 | £ 8,500² | £ 10,186 |
| TOTAL NET ACTUALS | £ 7,932 | £ 7,880 | |
| BUSINESS PLAN SAVINGS [From previous year budget] | £ 80 | £ 723 | £ 783 |
| ADDITIONAL SAVINGS CONTRIBUTION FROM UNDERSPENDING | £ 1,291 | £ 620 ² | |
| OVERALL Year On Year SAVINGS % | 14.8% | 15.8% | 7.7% |
| OVERALL HROD DELIVERED SAVINGS CONTRIBUTION SINCE ORBIS START | £ 2,714 | | |
| COMMITTED SAVINGS FOR 2018/19 | £ 783 | | |
| TOTAL HROD NET SAVINGS CONTRIBUTION 2016/2019 | £ 3,497 | | |

¹ SCC+ESCC ONLY FOR 2016-17-18

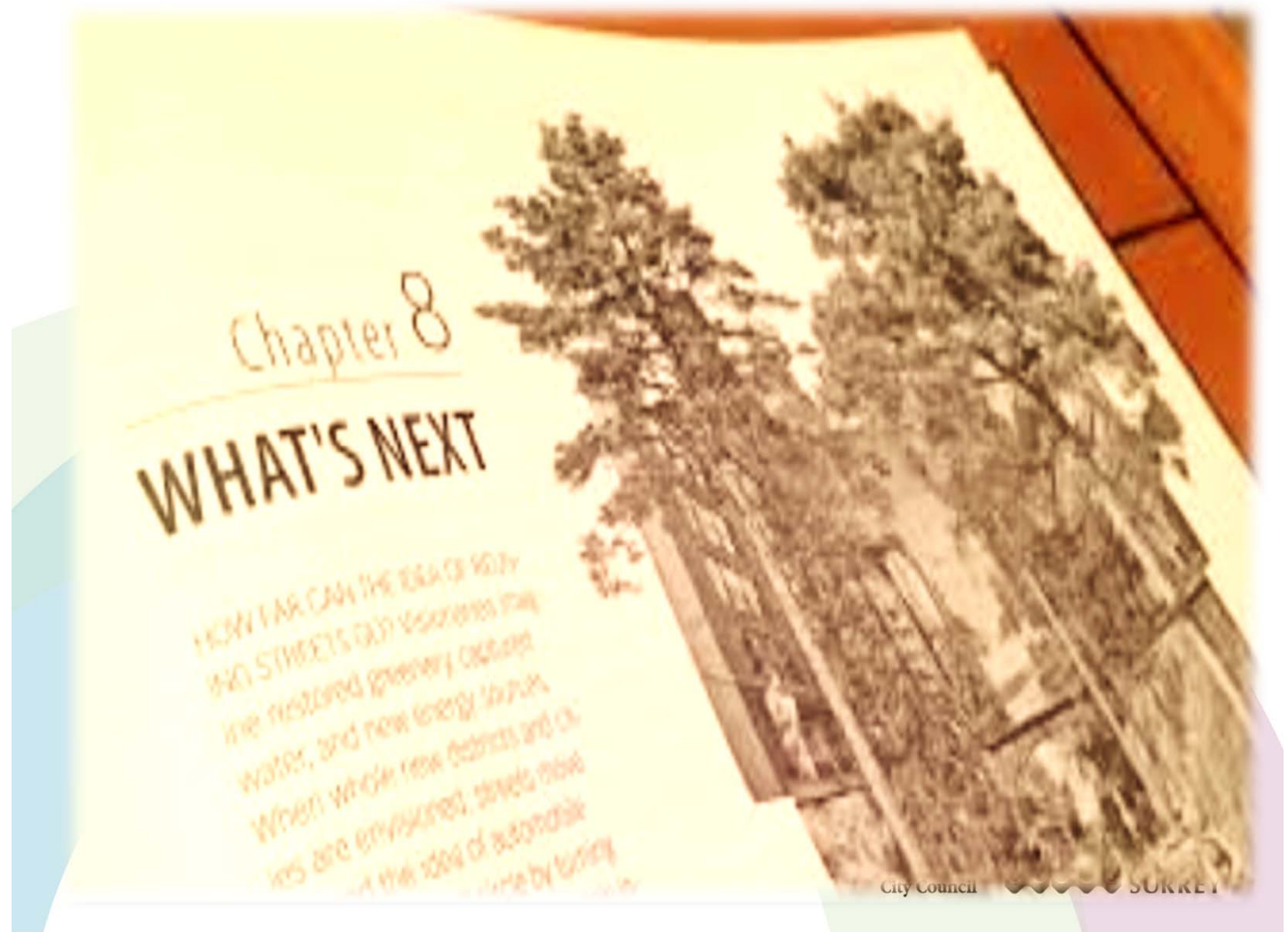
² Actuals as forecasted at P8

³ Includes BHCC

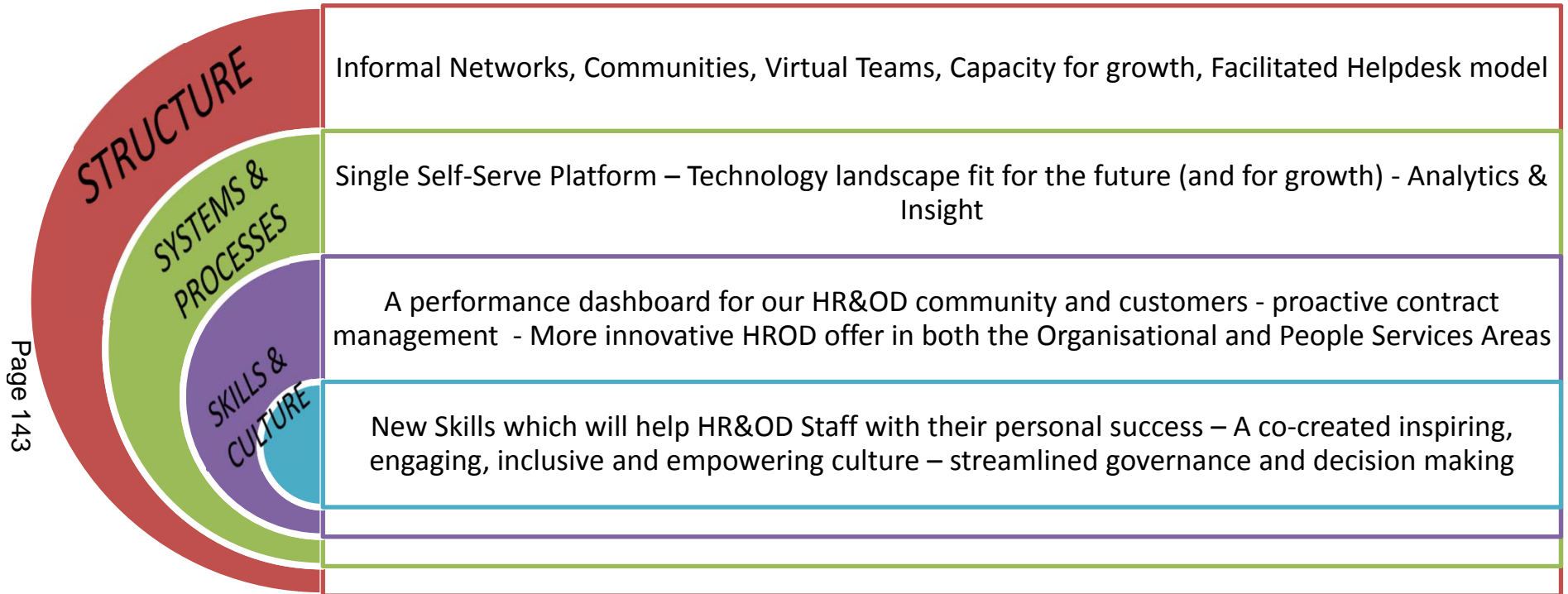
HROD TRANSFORMATION TO COME IN 2018/19



Page 142



Between April 2018 and March 2019 we will focus on:



By the end of 2019 we will have completed our 3 years transformation and created the conditions for Growth supported by lower quartile cost to serve, higher (and measurable) impact, and increased Customer & Employee experience.

FIRST MAPPING OF HROD TECHNOLOGY LANDSCAPE [Over 60 applications – WIP]

Page 144

| | Surrey County Council | | | | | | East Sussex County Council | | | Brighton & Hove City Council | | | |
|--------------------------|------------------------------|----------------|-----------------------------|-------------------|------------------------|-----------------------|----------------------------|--------|-------------------|------------------------------|-----------------------|-------------|---------|
| Recruitment & selection | Disability confidence scheme | | | | | | Adecco | | | Evolution | | | |
| Pay | SAP | E-pay check | E-suite | Reward statements | Recognition scheme | | SAP | | | Midland Trent | | E-pay check | |
| Staff benefits | Surrey extra | | Lease Drive | | Sodexo | | | Sodexo | | | Sodexo | | P&MM |
| Job Evaluation | Pay Net | | | | | | No Solution | | | | | | |
| Policy & Governance | SCC intranet | | | EXPO link | | | ESCC intranet | | | BHCC intranet | | | |
| | HMRC assessment tool | | | Surrey Says | | | | | | | | | |
| Training and development | SAP LSO | Skills academy | Blackboard | Articulate | Skills for care | Learning pool | | | | WebBased | | Lectora | |
| | Camtasia | Forskills | Training check | Uperform | Digital Apprenticeship | | Adapt | | | | Creative cloud | | |
| Performance management | | | | | | | Sharepont | | | | | | |
| | SAP appraisal | | | Surrey Says | | | First care | | | Expert training systems | | First care | |
| Organisation development | | | | | | | Jive | | | | | | |
| | Nakisa | | Leadership expectation tool | | | Change readiness tool | | Yammer | | | Sharepoint Orgchart | | Gartner |
| Wellbeing | | | | | | | Team Prevent | | | | | | |
| | Workforce wellbeing charter | | | | | | OH assist | | | | | | |
| Health & Safety | OHSIS | | Eye care scheme | | OSHENS | | Alcumus | | | Firmstep | | | |
| Equalities & diversity | Business Disability forum | | | ENEI | | | Not an HR function | | | Public concern at work | | ENEI | |
| Query management | Achiever | | | | | | No Solution | | | No Solution | | | |
| Leavers | | | | | | | No Solution | | | | | | |
| Analytics | Business Objects | | | Tableau | | | No Solution | | | Business Objects | | | |
| | Key | | Requires urgent review | | Review required | | Strategic choice | | In decomissioning | | Implementation./Pilot | | Not HR |

SKILLS REQUIRED IN THE NEW MODEL [WIP 1 / 2]



People / Relationship Skills

- interpersonal skills
- verbal and written communication
- relationship management
- enabler of networks
- collaborative
- skilled influencer
- presentation skills
- emotional intelligence
- leadership
- effective listening
- resource manager
- mentor/coach
- team player

Entrepreneurial / Commercial

- product development
- contractual management/procurement
- marketing
- market analysis
- financial
- risk assessment

Digital

- digitally literate
- ability to use a variety of digital platforms, relevant to the job role
- understanding of how new technologies can support the work of HR/OD
- broad understanding of how new technologies can help shape and transform HR/OD services of the future

SKILLS REQUIRED IN THE NEW MODEL – [WIP 2 /2]



Technical Expertise

- As appropriate to job role:
e.g.
- Employment law
- Relevant policies and procedures
- Organisational development - models and theories
- Equal pay
- H & S legislation etc.
- Strategic - horizon gazing
- Change Management
- Training delivery

Self

- curious
- confident
- resilient
- appropriately assertive
- courage to challenge
- reflective practitioner – receptive to constructive feedback
- decisive thinker
- Solution focussed
- flexible/adaptive in approach and thinking styles

CHALLENGES - OPPORTUNITIES - RISKS



Page 147

| TO GET TO WHERE WE ARE NOW | TO MOVE FORWARD |
|--|---|
| TRANSPARENCY V. COMPARISONS → DEFENSIVENESS | STAFF ENGAGEMENT / COMMITMENT TO NEW MODEL |
| DIFFERENT OPERATING MODELS | CHANGE FATIGUE / RESILIENCE |
| DIFFERENT CULTURES | NEW WAYS OF WORKING / MATRIX |
| CURIOSITY | CUSTOMERS EXPECTATIONS / DEMAND MANAGEMENT |
| NEW CHALLENGES TACKLED IN A JOINED UP FASHION [IR35, APPR LEVY, CASE MGMT] | CAPACITY/SUPPORT TO INNOVATE |
| STAFF ENGAGEMENT | LOCAL GOVERNANCE(S)/POLICIES DIFFERENCES |

This page is intentionally left blank

Orbis Joint Committee
19 January 2018

Orbis Joint Committee Forward Plan

Purpose of the report:

For Members to consider and comment on the Committee's Forward Plan.

Introduction:

A Forward Plan recording agenda items for consideration at future Orbis Joint Committee meetings is attached as **Appendix 1**, Members are asked to comment on upcoming items and review new items added to the forward plan.

Recommendations:

It is recommended that the Joint Committee reviews and approves the forward plan (Appendix 1).

Report contacts:

Martin Jenks, Senior Democratic Services Advisor, East Sussex County Council, Tel: 01273 481 327, martin.jenks@eastsussex.gov.uk

Emma O'Donnell, Democratic Services Assistant, Surrey County Council, Tel 020 8541 8987, emma.odonnell@surreycc.gov.uk

This page is intentionally left blank

Orbis Joint Committee - Draft forward plan

| Date | Title | Summary | Responsible Officer(s) | Notes |
|--------------|--------------------------|--|--|-------|
| January 2018 | Budget Monitoring report | Regular monitoring budget report to provide an update on progress against savings targets. | Kevin Foster, Chief Operating Officer, ESCC | |
| | | | John Stebbings, Chief Property Officer, SCC | |
| | | | David Kuenssberg, Executive Director Finances & Resources, BHCC | |
| | 2018/19 Budget | Overview of proposed Orbis Operating budget for 2018/19 | Kevin Foster, Chief Operating Officer, ESCC | |
| | | | John Stebbings, Chief Property Officer, SCC | |
| | | | David Kuenssberg, Executive Director Finances & Resources, BHCC | |
| | Service Update | Members will receive an update on progress being made in within a specific service area | Kevin Foster, Chief Operating Officer, ESCC | |
| | | | John Stebbings, Chief Property Officer, SCC | |
| | | | David Kuenssberg, Executive Director Finances & Resources | |
| | Business Plan Update | To receive an update on the finished version of Orbis Business Plan | Kevin Foster, Chief Operating Officer, ESCC | |
| | | | John Stebbings, Chief Property Officer, SCC | |
| | | | David | |

| | | | |
|------------------|--------------------------|---|--|
| | | | Kuenssberg, Executive Director Finances & Resources, BHCC |
| July 2018 | Budget Monitoring report | Regular monitoring budget report to provide an update on progress against savings targets. | Kevin Foster, Chief Operating Officer, ESCC John Stebbings, Chief Property Officer, SCC David Kuenssberg, Executive Director Finances & Resources, BHCC |
| | Service Update | Members will receive an update on progress being made in within a specific service area | Kevin Foster, Chief Operating Officer, ESCC John Stebbings, Chief Property Officer, SCC David Kuenssberg, Executive Director Finances & Resources |
| | | | |