

Report to: Audit, Best Value and Community Services Scrutiny Committee

Date of meeting: 27 September 2016

By: Chief Operating Officer

Title: Orbis Programme Update

Purpose: To provide a progress update on developments in relation to the Orbis Partnership.

RECOMMENDATIONS

The Committee is asked to:

- 1) note the report and its appendices to review progress in delivering the Orbis Business Plan.
 - 2) discuss and propose options for future scrutiny of the Orbis programme.
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1 Background

- 1.1 Orbis is a partnership between East Sussex and Surrey County Councils that will integrate Business Services functions to provide improvements in service provision and reduce costs. Services in scope are; Property, Procurement, ICT, HR, Finance & Business Operations.
- 1.2 The Partnership was formally launched in April 2015 and a detailed 3 year business plan was approved by Cabinet in October 2015. In addition a joint scrutiny session was held on 5 October 2015 with Members from the Audit, Best Value and Community Services Scrutiny Committee (ABVCSSC) and Surrey's Council Overview Board (COB).
- 1.3 The Inter Authority Agreement (IAA) was signed and sealed on 13 April 2016, the IAA formalises the partnership and provides the legal framework for Orbis.

2 Supporting information

- 2.1 This report will focus on a number of key elements of the Orbis Programme and provide further details for each:
 - Savings Plans (including enhanced target)
 - Brighton & Hove City Council's proposal to join the Orbis partnership
 - Transformation Partner (Ernst & Young)
 - Service Updates for ICT & Procurement
 - Key challenges facing the development of the partnership

Savings

- 2.2 The Business Plan clearly articulated the benefits that Orbis would deliver over a three year period (£8.3m). The savings plan is attached as appendix 1.
- 2.3 Since the approval of the Business Plan in October 2015, both East Sussex and Surrey County Councils require additional savings to be delivered from the Orbis Partnership in order to meet wider financial challenges that both organisations are facing. An updated savings plan is therefore being developed for Orbis in order to identify proposals for how the additional savings requirements could be achieved.

Brighton & Hove City Council (BHCC)

- 2.4 BHCC signalled their intent to join the Orbis Partnership in a paper taken to the Policy, Resources & Growth Committee on 3 December 2015.
- 2.5 A process of due diligence is being undertaken in order to assess whether BHCC joining the partnership delivers the benefits that both parties require.
- 2.6 A report detailing the outcome of the due diligence process will be taken to the Policy, Resources & Growth Committee in BHCC on 14 October 2016.

- 2.7 An update was provided to the Orbis Joint Committee in July 2016 (appendix 2) detailing progress on due diligence work and the key areas this would focus on.

Transformation Partner

- 2.8 In the Business Plan it was recognised that to deliver the full benefits of the partnership an external consultancy partner would be required, and provision was therefore made in the investment proposal.
- 2.9 Following a procurement exercise Ernst & Young (EY) have been selected to work with Orbis for a three year period, details of the procurement process and initial areas of focus for EY can be found in appendix 3.

Service Updates

- 2.10 Updates are regularly provided to the Orbis Joint Committee around developments in specific services, these updates provide an overview to demonstrate progress, share key developments and overarching plans for integration.
- 2.11 It has been agreed that Information and Communications Technology (ICT) and Procurement will provide updates for this Committee on 27 September 2016 (see appendices 4 & 5).

Key Challenges

- 2.12 Officers understand the need for Orbis to be adaptable to the changing shape of Local Government. We have therefore identified a number of key challenges and are working closely with colleagues across East Sussex and Surrey to ensure Orbis can continue to provide quality services that meet the changing needs of service users and stakeholders.
- Accountable Care / Health & Social Care Integration
 - Education White Paper (Schools/Academies)
 - Devolution agenda
 - Market Developments (i.e LGSS & OneSource)

Scrutiny arrangements

- 2.13 The future arrangements for the scrutiny of Orbis could usefully be clarified at this stage. Given the current position, there are potentially three options to move forward:
- Option 1: continue with the current 'sovereign' arrangements with ESCC Audit, Best Value and Community Services Scrutiny Committee (ABVCSSC) and Surrey County Council Overview Board (COB) operating independently. The benefits of this approach is that each scrutiny body can focus primarily on its own areas of interest with joint meetings or chairs' meetings being organised on an ad hoc basis where it makes sense to do so. The main disadvantage is that it could lead to significant demands on the Orbis Team in trying to meet potentially very different information requirements of each scrutiny body.
 - Option 2: coordinate ABVCSSC and COB scrutiny work so that the *same* topics and reports are prioritised by agreement between the chairs for consideration at each authority's scrutiny body which then operates independently as in option 1. The additional benefit of this approach is that each authority's unique scrutiny perspective is gained on every issue being scrutinised which can, in turn, best help to ensure that each authority's individual business requirements from Orbis are achieved.
 - Option 3: establish a standing joint scrutiny committee comprising Members selected from ESCC ABVCSSC, Surrey COB and other partners' scrutiny bodies in due course; this body would be charged with scrutiny of Orbis on behalf of all the authorities. To be effective, this would require the participation of all partners; however, the willingness of future partners to participate in joint scrutiny arrangements is unknown. The other main disadvantages, apart from the additional bureaucracy and complexity of arranging meetings of a joint committee, is the reduced level of representation of the ABVCSSC Members and potentially reduced ESCC scrutiny 'sovereignty' over the matters being discussed.

3. Conclusion and reasons for recommendations

- 3.1 The Committee is asked to review and note developments within the Orbis Partnership for the areas specified in this report.
- 3.2 The Committee is also asked to consider arrangements for future scrutiny of Orbis to ensure that an appropriate level of scrutiny can be undertaken in the most effective and efficient way.

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LOCAL MEMBERS

A list of County Council Members whose electoral divisions are specifically affected by the report.

BACKGROUND DOCUMENTS

Orbis Business Plan

Joint Scrutiny meeting minutes (5 October 2015)

Orbis Joint Committee Papers (19 February 2016, 22 April 2016, 18 July 2016)