

MINUTES of the meeting of the **ORBIS** Joint Committee held at 2.00 pm on 19 January 2018 at County Hall, Lewes.

These minutes are subject to confirmation by the Committee at its meeting on Thursday, 12 April 2018.

Elected Members:

*present

- * Councillor David Elkin
- * Councillor Bob Standley
- * Councillor Tim Oliver
- * Councillor Denise Turner-Stewart
- * Councillor Les Hamilton
- * Councillor Andrew Wealls

In attendance

Kevin Foster, Chief Operating Officer (ESCC)
Sheila Little, Orbis Director of Finance (SCC)
David Kuenssberg, Executive Director for Finance and Resources (BHCC)
Philip Baker, Assistant Chief Executive (ESCC)
Adrian Stockbridge, Orbis Programme Manager (SCC)
Sergio Sgambellone, Director of Human Resources and Organisational Development (ESCC)
Gail Perryman, Orbis Programme Coordinator (ESCC)
Matt Scott, Orbis Chief Information Officer (ESCC)
Louise Lawson, Senior Principal Accountant (ESCC)
Neil Sartorio, EY
Hayley Stearn, EY

1/18. APOLOGIES FOR ABSENCE [ITEM 1]

There were no apologies for absence.

2/18. MINUTES OF THE PREVIOUS MEETING [ITEM 2]

The minutes of the meeting held on 16 October 2017 were agreed as a true record of the meeting.

3/18. DECLARATIONS OF INTEREST [ITEM 3]

There were no declarations of interest.

4/18. EY MARKET INSIGHT [ITEM 4]

The Committee considered a report introduced by Kevin Foster on the work done with EY, and welcomed Neil Sartorio and Hayley Stearn from EY to the meeting.

Witnesses:

Kevin Foster , Chief Operating Officer, East Sussex County Council

Hayley Stearn, EY

Neil Sartorio, EY

David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council

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

Key points raised during the discussion:

1. The Committee's attention was drawn to the State of Shared Services report, which identified that the majority of organisations had an in-house model and were not outsourced, and that there was a growing trend towards customer-centric services. The focus tends to be on the sustainability of the operating model, rather than whether it is created to generate profit or to break even.
2. Members asked questions about how to define a measurement of Value Added. It was acknowledged that this is more of a challenge than transactional metrics, but it was set out that proxy measurements on agreed areas of shared value are the most illustrative way of achieving this aim.
3. Neil Sartorio highlighted some of the projects set out in the Quarterly Market Insight. This included the EYC3X project, which uses data analytics to identify where early intervention could assist children in care and the homeless, in the light of the growing challenge of the current funding situation.
4. Officers illustrated how Orbis would assist staff in front line services implement the learning from the EY insight, such as shared learning between the authorities or shared back office services such as Finance teams, but acknowledged that it could be hard to quantify in terms of avoided future costs.
5. Members asked questions about the Cyber Security insight, and were informed that it is managed as an Orbis function, and that each partner authority receives its own update. It was also confirmed that cyber security will feature on the performance dashboard.

RESOLVED:

Members noted the presentation.

5/18. NOVEMBER BUDGET MONITORING [ITEM 5]

The Committee considered the Budget Monitoring position for November 2017, introduced by the Chief Operating Officer.

Witnesses:

Kevin Foster , Chief Operating Officer, East Sussex County Council

Louise Lawson, Senior Principal Accountant, East Sussex County Council

David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council

Key points raised during the discussion:

1. Officers set out the projected over-delivery of savings, together with the spend on agency staff and absence levels, as requested at a previous Committee meeting.

2. Officers clarified that the budgets had been set two years ago with estimates of the technology input that would be required. This work had been delivered within budget and so the declared underspends had been returned to the sovereign authorities to fund further change programmes.
3. Other savings had been achieved by using secondments to the programme teams (rather than recruitment) and using existing resources.
4. Members asked questions about the absence levels, and were informed that BHCC will be adopting First Care, using the learning from ESCC and the purchasing power of the Orbis partnership.

RESOLVED:

Members noted the updated budget position.

6/18. ORBIS OPERATING BUDGET 2018/19 [ITEM 6]

The Committee considered the Orbis Operating Budget introduced by the Chief Operating Officer.

Witnesses:

Kevin Foster, Chief Operating Officer, East Sussex County Council
David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council

Key points raised during the discussion:

1. Members queried the assumption of 1% pay inflation in the light of recent developments, and were advised that further modelling work on enhanced contributions to Orbis would be needed if partner authorities decided higher rates. It was confirmed that none of the authorities had set their pay awards.
2. It was confirmed that the ratio of contributions would be finalised and written into the Inter Authority Agreement.

RESOLVED:

Members (1) recommended an estimated level of 2018/19 contributions to the Joint Operating Budget to Brighton & Hove City Council, East Sussex County Council and Surrey County Council of £65.3m, in a ratio of 21:24:55, noting that this may alter following review.

(2) approved the transfers between the operating budget and the East Sussex County Council and Surrey County Council managed on behalf of budgets.

7/18. BUSINESS PLAN [ITEM 7]

The Committee considered the revised Business Plan introduced by Kevin Foster.

Witnesses:

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

Key points raised during the discussion:

1. Officers introduced the Plan which had been produced in the Orbis style to tell the story of what Orbis is and why it is different, together with the culture and values that underpin it. The report also provided a draft Performance Framework and benchmarking information, requested by the Committee at a previous meeting.
2. Members remarked that a key consideration was an ability to demonstrate the value added to services by Orbis, particularly when the more straightforward efficiency savings have been realised.
3. A timetable, setting out the state of services that have been and are to be integrated was suggested. Officers advised that, at a Head of Service level, they were aware of the timescales for integration and the steps required to reach those targets.
4. Officers advised that the aim of the partnership was to adopt as much consistency as possible, with the recognition that there would be areas that would remain particular to each authority partner.
5. Officers set out the engagement with staff that was planned, and highlighted the material at Appendix 2, to assist Heads of Service and other managers enthuse their staff. A meeting with the new Surrey Chief Executive has been scheduled.
6. Officers confirmed that the focus had been on ensuring that Orbis functioned efficiently in assisting the partner authorities deal with business as usual in the face of increasing service demand and reducing budgets, rather than expanding its client base.
7. Officers set out the public service ethos behind Orbis, and the desire for staff to be able to concentrate on delivering services rather than producing metrics. The integration of BHCC as the final founding partner now allows their staff to focus on business as usual, rather than the process of integration.
8. Members asked questions about the maturity assessment, and in particular the processes and control element. Officers set out that the criteria used to measure that are the same as for leading edge private sector companies. Historically, local authorities have had a high tolerance of user error when customers access services: this is time-consuming to correct but keeps complaint levels low.

Actions/further information to be provided:
Spectrum of Integration of departments

RESOLVED:

Members approved the Business Plan for 2018/19-2020/21.

8/18. ORBIS HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT SERVICE UPDATE [ITEM 8]

The Committee considered the presentation on the Departmental update on the Human Resources and Organisational Development team, introduced by Sergio Sgambellone.

Witnesses:

Kevin Foster, Chief Operating Officer, East Sussex County Council

Adrian Stockbridge, Orbis Programme Manager

David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council

Sergio Sgambellone, Director of Human Resources and Organisational Development, East Sussex County Council

Key points raised during the discussion:

1. Sergio Sgambellone ran through the presentation slide deck which set out the progress made towards integrating the Human Resources and Organisational Development functions (HROD) of the partner authorities.
2. Members asked questions regarding the relationship with Unions, with particular reference to Brighton & Hove. It was acknowledged that BHCC brought a new dynamic to the partnership but confirmed that the Orbis leadership had been consistent throughout the integration period. Relationships with the Unions are based on listening to the needs of members, and it had been acknowledged by the two major Unions that the partnership was a preferable outcome to outsourcing, given the public sector ethos of Orbis.
3. In response to questions about staff engagement, Sergio Sgambellone set out the HROD policy of quarterly meetings at each authority, that are recorded and shared with the partner authorities. Staff are encouraged to submit ideas to improve performance and share best practice across the partnership.

RESOLVED:

Members noted the presentation.

9/18. ORBIS JOINT COMMITTEE FORWARD PLAN [ITEM 9]

The Committee considered the Work Programme introduced by Adrian Stockbridge.

Witnesses:

Kevin Foster, Chief Operating Officer, East Sussex County Council

Adrian Stockbridge, Orbis Programme Manager

David Kuenssberg, Executive Director of Finance and Resources, Brighton & Hove City Council

Key points raised during the discussion:

1. Members discussed which Service update to include on the April agenda: Property, Procurement or Business Operations.
2. Officers confirmed that an indicative Budget Outturn would be available for the April meeting.
3. The Staff Survey and officer actions will be presented at the April meeting.
4. The Spectrum of Integration of services will be presented at the July meeting.

RESOLVED:

Members noted the Forward Plan as amended.

Meeting ended at: 3.50 pm

Chair