



ESPO MANAGEMENT COMMITTEE – 24 JUNE 2011

AGENDA ITEM NO. 6(b)

**BUSINESS STRATEGY REVIEW:
OUTLINE IMPLEMENTATION PROGRAMME**

**REPORT OF THE CONSORTIUM SECRETARY AND
CONSORTIUM TREASURER**

Purpose of Report

1. The purpose of the report is to present an outline Programme Plan to implement the recommendations of ESPO's Business Strategy Review and to seek the Committee's approval to launch this Programme.

Background

2. The ESPO Management Committee undertook a fundamental review of the role and purpose of ESPO. The aims of the Review were to assess:
 - The anticipated future role of ESPO;
 - The value of partnering with ESPO for the Member authorities;
 - The appropriateness of the current business strategy;
 - The potential future strategic options for ESPO.
3. This resulted in a revised Vision and service model being proposed, together with a number of recommendations to improve the operational efficiency and effectiveness of ESPO. A separate report on the Committee's agenda (Item 6a) seeks formal agreement to close this Review.

Outline Programme Plan

4. The Outline Implementation Programme (see Appendix to this report) proposes the governance arrangements, key deliverables and reporting arrangements with the purpose of:
 - providing a firm foundation for the delivery of the Programme;
 - ensuring that the scope of the Programme is sufficiently comprehensive and includes the delivery of those activities already underway as part of the Interim Director's 6-month Plan; and

- seeking approval for the initiation and launch of this Programme;
- identifying next steps.

Resources Implications

5. Budgetary provision of £750k in 2011/12 has been previously agreed by the Management Committee in March 2011 for this programme of change. This comprises £300k for general support (e.g. interim structural changes) and £450k for an invest-to-save warehouse project. In addition, it is proposed that a further allocation of £400k be approved to support the implementation of the Review (see Outturn 2010/11, ESPO Management Committee, 24 June 2011).

Conclusion and Recommendations

6. This is an ambitious programme of change, which is aimed at strengthening both ESPO's position in the marketplace and its support for Member Authorities.
7. The Committee is asked to:
 - (a) Approve the initiation and launch of the Outline Implementation Programme (attached as an Appendix to this report);
 - (b) Note that a 'kick off' meeting is being arranged for all workstream leads in order to confirm the programme plan and timescales;
 - (c) Approve the development of the Programme Initiation Document in preparation for submission to the next Management Committee;
 - (d) Approve the appointment of a Programme Manager; and
 - (e) Approve the recruitment of a new Director of ESPO in order to continue the delivery of this programme of step change.

Equal Opportunities Implications

8. An Equality Impact Assessment (EIA) will be undertaken during implementation of the Programme (which includes both service design, performance and employment) to help identify any equality issues.

Risk Assessment

9. One of the key priorities for the Programme is the reduction of Member Authorities' exposure to risk. The Programme therefore includes the provision of a robust risk management framework at strategic and operational levels.

Background Papers

- Joint Report of the Consortium Secretary and Treasurer to the ESPO Management Committee, 'Review of the Business Strategy for ESPO', 24th September 2010;
- Joint Report of the Interim Director and Consortium Treasurer to the ESPO Management Committee, 'Forecast Outturn 2010/11 and Budget 2011/12', 25th March 2011 ;
- Joint Report of the Consortium Secretary and Treasurer to the ESPO Management Committee, 'Review of the Business Strategy for ESPO: Project Closure Report', 24th June 2011

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Appendix

Business Strategy Review: Outline Implementation Programme