



ESPO MANAGEMENT COMMITTEE – 7 MARCH 2013

AGENDA ITEM 6.

REPORT OF THE CONSORTIUM SECRETARY AND CONSORTIUM TREASURER

ESPO CHANGE PROGRAMME CLOSURE

Purpose of Report

1. The purpose of this report is to seek formal agreement to close ESPO's Change Programme.

Background

2. Following the Member led review initiated at a special meeting of the Management Committee on 24 September 2010 and facilitated by Deloitte, the Change Programme was mobilised and a Programme Initiation Document outlining delivery approach and timescales was developed and approved by the Management Committee on 3 November 2011.
3. Four workstreams were established and led by:
 - a) Legal & Governance workstream led by Warwickshire County Council
 - b) Business Strategy & Efficiencies workstream led by ESPO
 - c) HR Category Management Pilot led by Lincolnshire County Council
 - d) People & Performance led Leicestershire County Council

Delivery of Programme Outcomes

4. A considerable amount of resource and effort, both by ESPO and member authorities, has been put in to the delivery of the desired outcomes and all deliverables defined within the Programme Initiation Document (PID) have been completed.
5. The Programme Closure Report (attached as an appendix to this report) details progress of each key deliverable against the success criteria agreed by the Management Committee, with input from the Chief Officer Group (COG), as the Programme Board.
6. These deliverables either have already been implemented within operations or are in the process of implementation with clear plans and resources in place (section 4 attached). Of these deliverables, final approval of the new Consortium Agreement for formal implementation is the subject of a report elsewhere on this agenda and

requires approval by the Executives of each of the Member Authorities, subject to initial Management Committee approval elsewhere on this agenda.

Follow on Actions

7. The reporting on progress towards the completion of certain programme activities (section 5 attached), which have been handed over to business as usual will be made to COG and Management Committee, by the Director of ESPO and the Consortium Treasurer, as and when required.

Future Delivery

8. As a result of the key Programme deliverables and effort made by staff and management to implement changes, ESPO is in a better place to achieve the objectives and priorities identified by Management Committee and COG during the initial review. These are:

Priority 1- Supporting Member Authorities to deliver their strategic objectives and priorities, particularly in relation to enabling the delivery of efficiency savings.

Priority 2– Reducing Member Authorities' exposure to risk and providing greater transparency and accountability for decision making.

Priority 3– Demonstrating and improving confidence in the business efficiency of ESPO, measured by achieving the agreed percentage return on investment of resources employed and demonstrating year on year efficiency improvements

Resources Implications

9. Implementation of the Change Programme was mainly provided through a combination of existing resources, both financial and staff, of ESPO and Member Authorities.
10. A specific budget of £400,000 was set aside by the Management Committee on 24 June 2011 to support its implementation. However, only a small proportion of this budget was required through the use of specialist resources (a locum to support the development of legal documentation and an analyst to gather and analyse financial data to support the business and marketing strategies) and category management training. The overall cost of the programme is £57,350.

Recommendation

11. The Management Committee is asked to:
 - a) note the achievements of the Change Programme and follow on actions arising contained in section 5 of the appendix to this report;
 - b) approve the Programme's closure.

Equal Opportunities Implications

12. An Equality Impact Assessment (EIA) was undertaken during the implementation phase (which included both service design performance and employment) to help identify any equality issues. Equality Impact Assessments have also been identified as a key operational document going forward to help monitor, scrutinise and manage ESPO's operations.

Risk Assessment

13. The Change Programme has made recommendations for a new governance and risk management framework which includes a process for evaluating the level of risk before ESPO takes on any work (the subject of separate reports to Management Committee on 25 March 2011 and 24 June 2011) and which now form part of the proposed Consortium Agreement. Regular updates on risk have since been reported as part of the Director's regular progress reports. An annual review of the organisational review of ESPO's approach to risk management and governance is now also undertaken and is the subject of a separate report elsewhere on this agenda.

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 Consortium Secretary and Treasurer to the ESPO Management Committee Business Strategy Review: Outline Implementation Programme, 24 June 2011.

Joint Report of the Consortium Secretary and Treasurer to the ESPO Management Committee - ESPO Change Programme Progress Report, 3 November 2011.

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Appendices

Appendix A– Programme Closure Report

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