

## **Appendix 1 – Outline Business Case (OBC): Registration and Nationality Service Review**

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### **Approvals**

By signing this document, the signatories below are confirming that they have fully reviewed the Outline Business Case for Registration and Nationality Service Review project and confirm their acceptance of the completed document.

<b>Name</b>	<b>Role</b>	<b>Signature</b>	<b>Date</b>	<b>Version</b>
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### **DOCUMENT CONTROL**

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4.0	16/10/13	J. Wills-Fleming; M. Kendall; A. Khan	Updates to section 4. Final review.

## Contents

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Contents.....	2
1. Introduction and Strategic Context.....	3
1. Introduction and Strategic Context.....	3
2. Rationale.....	3
3. Project Definition.....	4
4. Options.....	5
5. Expected Benefits.....	15
6. Risks.....	16
7. Financial Appraisal.....	18
8. Project Approach.....	20
9. Dependencies.....	21

## 1. Introduction and Strategic Context

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The London Borough of Barnet's (Barnet) Registration and Nationality Service is responsible for the registration of all births, deaths and marriages. Working in partnership with the Home Office, the service also offers a nationality checking service for those wishing to apply for a British Citizenship. The service also undertakes citizenship ceremonies, wedding and civil partnership ceremonies. The service operates from three separate locations: Burnt Oak Broadway, Hendon Town Hall and Barnet House (Whetstone). The staffing establishment comprises of a team of 13 which includes 4 agency staff and 9 FTE's.

Barnet and the London Borough of Brent (Brent) currently collaborate on Registration and Nationality Services and have shared a Head of Service for the past three years. This is a semi-formal relationship and is not tied to any formal performance management criteria and is based on the good will of both boroughs.

Initially, the Registration and Nationality service was in scope for the Development and Regulatory Services (DRS) procurement. A decision was made in December 2011 to remove this service from the group of DRS services. In addition, the front office element of the service was in scope for the Customer Service Transformation project, which involved carrying out a process for integrating general customer calls into the Corporate Contact Centre. A decision to transfer the budget for these calls was taken in March 2012, reducing the services operational budget by £90,000 – an interim arrangement was made in 2012/13 to cover these costs outside of the operational budget. In addition, the costs of a receptionist at Hendon Town Hall is funded from the Registrars budget. A permanent arrangement for these issues is now required.

Barnet has undertaken a review of the delivery of its Registration and Nationality service in order to fulfil the Council's commitment to improving the customer experience and generate efficiency savings. The review forms part of the One Barnet Programme (corporate change programme) and supports the One Barnet key priorities of:

- A new relationship with citizens.
- A relentless drive for efficiency.
- A 'one public sector' approach.

## 2. Rationale

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The service faces additional demand pressures in the short and long term, including:

- The November 2013 move of maternity services at Chase Farm Hospital (as part of the Barnet, Enfield and Haringey Clinical Strategy) to Barnet Hospital and North Middlesex University Hospital which will lead to an increased number of births being registered within Barnet in relation to babies born at Barnet Hospital.
- Increases in population due to significant regeneration projects currently underway.

Due to this it is clear that the forecast staffing levels for 2013/14 will be insufficient to meet future demand levels for registration and nationality services and desired service standards. In order to meet these additional demands and required service standards – including continuing to operate the Services front door - the current staffing complement of 13 FTE will need to increase to 15 FTE from 2014/15 onwards. The future of Head of Service role also needs to be resolved as this is currently delivered through a shared arrangement with Brent that is not fully formalised and either borough could withdraw without notice. There is a strong possibility that if the shared Head of Service arrangement were to end Barnet would need to directly employ its own. These changes will add a significant cost to the running of the service alongside the challenge of finding a suitably qualified individual.

Further, future income levels are expected to be adversely effected, largely due to increased government legislation on enforcement to prevent sham marriages. Therefore the preferred option for the service will be required to ensure we have sufficient capacity and agility to seek and deliver new income opportunities making the most of growth opportunities, and flexibility to offset potential decreases in income, while continuing to drive service improvement for Barnet residents.

It is also acknowledged the current quality of the service could be improved through longer opening hours, greater resilience in staffing and the additional use of technology. Digital technology continues to change and develop, as do the ways that people use it to change and grow. Residents will continue to expect the Council to deliver against those standards of instant information and access to services and the current service is not equipped to meet these expectations.

### **3. Project Definition**

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The aim of the review was to consider ways the service could:

- become a more efficient organisation
- provide customers with the flexibility and choice
- provide capacity and flexibility to meet changing needs and seek to offset reductions in income
- examine the potential benefits of a shared service model

The options appraisal has been produced to identify the possible options to determine which route would be of most benefit to the Council and customers both financially and non-financially.

The evaluations carried out on each of the identified options looked to:

- explore the most cost-effective service delivery model,
- transform the way in which the service serves customers and achieves efficiency savings,
- set a strategic direction for the service for at least the next three years.

## 4. Options

As part of this review a cost-benefit analysis has been undertaken for the following options:

- Maintaining the Registration and Nationality service as it currently stands (which requires additional resourcing to maintain current standards)
- Exploring ways of delivering greater efficiencies and a better customer experience within the existing service
- Implementing a shared service model, with the London Borough of Brent delivering Barnet's Registration and Nationality service
- Implementing a shared service model, with the London Borough of Barnet delivering Brent's Registration and Nationality service

### Option 1 – Maintain existing service

This option would see the continuation of the existing Registration and Nationality service in Barnet and resolving the current under-staffing issues. This option would have significant financial implications as it is clear that the service will not be able to continue in its current state without a significant change to the budget profile. In order to simply maintain the existing service provision the current staffing levels would need to be increased by 2FTE.

This option also carries the risk of Brent not wishing to carry on with the shared Head of Service arrangement. There is currently no formal agreement in place and either party could withdraw without notice. If this were to happen Barnet would be in a position of having to appoint a Head of Service at a significant cost.

The required increase in staffing costs (including budgeting for the appointment of a full time Barnet-only Head of Service) to maintain the service will result in a drop in the surplus generated by the service from £161,000 in 2013/14 to £23,000 in 2014/15 (see Table 1 below). **As described in Section 3, income is projected to come under even greater pressure in the years beyond 2014/15 meaning the surplus amount is likely to drop even further.**

Barnet Forecast (£)	Current Projection 2013/14	Option 1 Projection 2014/15
Employee Direct Costs	493,829	636,396
Barnet Premises Costs	32,257	30,603
Other Non-Staff Costs	26,271	21,503
Internal Recharges	36,846	33,410
Income	(750,000)	(744,830)
<b>Net Total</b>	<b>(160,797)</b>	<b>(22,918)</b>

This option would also not deliver any of the improved customer service and access objectives that the service will be expected to deliver moving forward if it is to remain viable. Barnet would have to invest in the infrastructure improvements required to deliver the desired service improvements through the better use of technology and this would further reduce the surplus produced by the service and probably lead to the service becoming loss-making.

**Option 2 –Exploring ways to deliver short-term efficiencies within the existing service**

Analysis was carried out to identify exploring ways in delivering short-term efficiencies to the service. It was originally envisaged a possible means of generating an increase in income was to employ an additional member of staff at a cost of £43,000 (incl. on costs). This would increase the number of intention to marry interviews that could be carried out. The assumption was made that an additional 1,000 interviews could be carried out generating an additional £70,000 income. A further assumption was made that 20% of these interviews would result in additional weddings income of £20,000. This could generate total extra annual income of £90,000. When this is offset against the additional staff costs the net annual increase in income of this option is £47,000 when compared to Option 1.

This option also still carries the inherent issues associated with Option 1 and the need to invest substantially in the staffing structure just to maintain the required level of service.

<b>Barnet Forecast (£)</b>	<b>Current Projection 2013/14</b>	<b>Option 2 Projection 2014/15</b>
Employee Direct Costs	493,829	679,396
Barnet Premises Costs	32,257	30,603
Other Non-Staff Costs	26,271	21,503
Internal Recharges	36,846	33,410
Income	(750,000)	(834,830)
<b>Net Total</b>	<b>(160,797)</b>	<b>(69,918)</b>

However, since initial analysis was carried out the UK Border Agency implemented measures to combat “sham” marriages, which could greatly impact the ability to generate additional income through this means. **Therefore the income figures attached to this option have a very low confidence factor and carry significant risk that we would incur the spend without realising the additional income.**

As with Option 1, this option would not deliver the improved customer service experience without significant further investment, reducing further any surplus the service may be able to produce.

### **Option 3 – Implementing a Shared Service Model with the London Borough of Brent, hosted by Brent**

The idea of a shared registrar's provision is a relatively new concept within the sector. The model has been pioneered by Bexley Council who have recently set up a service level agreement with Kent County Council for the delivery of their Registration and Nationality service. The experience of Bexley and Kent has served to inform the Council's options analysis and will help to identify the risks and opportunities associated with delivering a shared service of this nature; as will the learning of key lessons from the recently implemented Joint Legal Service between Barnet and the London Borough of Harrow (now known as HB Public Law).

The proposed shared service agreement Brent would run for an initial period of five years. Barnet would pay Brent a management fee for the provision of the service on its behalf. A shared service would mitigate some of the increased expenditure on staffing set out in Option 1 allowing Barnet and Brent to share staff across boroughs deploying them as needed to ensure greater service resilience. Barnet would also immediately benefit from increased opening hours including on Sundays, which is particularly important for faith groups that require funerals are carried out immediately after death. A shared arrangement with Brent would secure the service's long-term viability and give it freedom to drive business growth and thus increase income opportunities.

The shared service would be overseen by a board with officer representation from both Barnet and Brent. All revenue and expenditure information as part of the shared service will be available for both boroughs to review on an 'open book' basis. The proposal is that Barnet receives a performance-based quarterly statement, to be agreed at the joint board.

As set out in Option 1, the service is forecasting a surplus of £161,000 in 2013/14 with this figure forecast to drop to £23,000 in 2014/15. Under a proposed shared service with Brent, with an associated management agreement the projected surplus/deficit is forecast at £109,000, detailed in the table below. **As set out in Section 3, levels of income are expected to come under further pressures beyond 2014/15 so surplus levels are expected to fluctuate over the five year period.**

There is also potential to increase the levels of surplus through further innovation, service enhancement and generating additional income; opportunities that a joint service is better placed to exploit. It is proposed that an annual efficiency target is built into the management agreement, which would then be shared between Barnet and Brent, thereby increasing the net surplus to Barnet. This increase in income is anticipated to achieve or exceed £50,000 per annum.

<b>Barnet Forecast (£)</b>	<b>Current Projection 2013/14</b>	<b>Option 3 Projection 2014/15</b>
Employee Direct Costs	493,829	583,439
Barnet Premises Costs	32,257	30,603
Other Non-Staff Costs	26,271	21,503
Internal Recharges	36,846	33,410
Income	(750,000)	(777,830)
<b>Net Total</b>	<b>(160,797)</b>	<b>(108,875)</b>

**This option improves the surplus position against Option 1 by £86,000 per year. With the additional potential £50,000 through efficiencies and innovation this could rise to £135,957 above Option 1 and bring the net surplus levels for 2014/15 back into line with the currently projects 2013/14 levels.**

Shared leadership of the service with Brent has already improved the performance of Barnet Registration and Nationality service and made it more profitable, for example, with the multi-skilling of staff to handle different enquiry types, the creation of an electronic diary to allocate appointments for marriage ceremonies and Brent providing a booking service for Nationality Checks for Barnet. Over the past three years Brent has invested in its own service including in technological initiatives, such as webcams at weddings and online booking facilities, and joining together as a shared service would allow Barnet to more fully benefit from this as well as future improvements. This arrangement should also help ensure that the service is structured to take full advantage of future population growth and the profile of a shared service should make it easier to ensure early access of new Home Office initiatives such as the devolution of front door services.

#### **Option 4 – Implementing a Shared Service Model with the London Borough of Brent, hosted by Barnet**

Conversations with Brent have indicated that they would not be willing to move their service to be hosted by Barnet. The expertise, training and technological benefits that Brent have invested in has led to Brent's registration service gaining a national reputation as market-leading in this field and there would be no desire to move their service to another authority's management.



## Recommended Option

The table below summarises the financial position of each option.

**It is important to note that the figures given for Option 1 essentially act as the baseline to compare other options against as Option 1 represents the figures required to maintain the service in its current position post 2013/14.**

Barnet Forecast (£)	Current Projection 2013/14	Option 1 2014/15	Option 2 2014/15	Option 3 2014/15
Employee Direct Costs	493,829	636,396	679,396	583,439
Barnet Premises Costs	32,257	30,603	30,603	30,603
Other Non-Staff Costs	26,271	21,503	21,503	21,503
Internal Recharges	36,846	33,410	33,410	33,410
Income	(750,000)	(744,830)	(834,830)	(777,830)
<b>Net Total</b>	<b>(160,797)</b>	<b>(22,918)</b>	<b>(69,918)</b>	<b>(108,875)*</b>

\*Option 3 excludes the anticipated additional £50,000 income through efficiencies and innovation

\*Option 4 is not included as it was ruled out as unviable prior to detailed financial analysis.

The following pages also set out the key advantages and disadvantages of each option.

**Recommendation: That the preferred option is to implement a shared service model with Brent, hosted by Brent (Option 3). Although the proposal is for the shared service to be managed and hosted by Brent the service will continue to be delivered locally in Barnet.**

**It is noted that this recommendation is dependent upon Brent agreeing to the shared service option through its own democratic process.**

The advantages, disadvantages and risks associated with each option have been summarised below:

Option	Advantages	Disadvantages	Risks
<p><b>Option 1</b></p> <p>Maintain the existing registration and nationality service in Barnet</p>	<ul style="list-style-type: none"> <li>• The service remains under the Council's direct authority</li> <li>• The current arrangement secures reliable delivery and income-generation</li> <li>• The service remains under the Council's direct authority</li> </ul>	<ul style="list-style-type: none"> <li>• Less potential to drive further innovation in the service</li> <li>• Customer service remains at existing levels</li> <li>• Staffing resource in Barnet is reliant on temporary staff and this is unsustainable</li> <li>• The cost of staffing resource in Barnet would need to increase significantly</li> <li>• Current service budget not sustainable and there would be a significant fall in income to Barnet</li> </ul>	<ul style="list-style-type: none"> <li>• Dependence on the current shared Head of Service arrangement, with associated risks of arrangements with a shared Head of Service terminating</li> <li>• Risk that the service may become less efficient if it does not innovate in its delivery approach</li> <li>• If trained temporary staff decide to leave due to the lack of job security it will impact on service delivery</li> </ul>
<p><b>Option 2</b></p> <p>Short-term efficiencies within the service as it stands</p>	<ul style="list-style-type: none"> <li>• The service remains under the Council's direct authority</li> <li>• Potential to increase the number of income-generating weddings delivered</li> </ul>	<ul style="list-style-type: none"> <li>• Short-term efficiencies have been explored in depth and there are no viable options</li> <li>• A staffing re-structure will be necessary to stabilise future service delivery</li> <li>• Staffing resource in Barnet is reliant on temporary staff and this is unsustainable</li> </ul>	<ul style="list-style-type: none"> <li>• UK Border Agency measures to prevent 'sham' marriages means increased income through additional wedding bookings likely to be limited</li> <li>• Dependence on the current shared Head of Service arrangement, with associated risks of</li> </ul>

Option	Advantages	Disadvantages	Risks
		<ul style="list-style-type: none"> <li>• The cost of staffing resource in Barnet would need to increase significantly</li> <li>• Current service budget not sustainable and there would be a significant fall in income to Barnet</li> </ul>	<ul style="list-style-type: none"> <li>• arrangements with a shared Head of service terminating</li> <li>• Risk that the service may become less efficient if it does not innovate more extensively in its delivery approach</li> <li>• If trained temporary staff decide to leave due to the lack of job security it will impact on service delivery</li> </ul>
<p><b>Option 3</b></p> <p>Shared service with Brent, hosted by Brent</p>	<ul style="list-style-type: none"> <li>• An increase in opening hours for Barnet residents including Sunday opening hours, which will benefit those faiths who require funerals urgently</li> <li>• Customers can access the service across borough boundaries at their most convenient location</li> <li>• Mitigation of the forecast drop in income to Barnet</li> <li>• Opportunities to make use of Brent's online facility to apply for historic certificates of births, marriages and deaths (payable online with a credit / debit card)</li> </ul>	<ul style="list-style-type: none"> <li>• Would require resource to implement the TUPE transfer of staff from Barnet to Brent</li> <li>• Issues to resolve around IT responsibility</li> <li>• Issues to resolve around the location of customer contact staff</li> </ul>	<ul style="list-style-type: none"> <li>• Staff may resist the culture change required in effectively implementing a new shared service model</li> <li>• Negative publicity (reputational risk) if performance is not as high through the shared service model</li> <li>• Confusion among residents as to which organisation is delivering their service</li> <li>• The expected amount of annual income that Brent</li> </ul>

Option	Advantages	Disadvantages	Risks
	<ul style="list-style-type: none"> <li>• The potential for greater profitability and innovation within the service using a portion of Barnet’s current profit surplus to re-decorate premises to increase demand for marriage registrations</li> <li>• Barnet could make use of Brent’s technological initiatives, for instance, using web cams at weddings to film ceremonies and sell them for a small profit</li> <li>• Barnet could utilise the Brent Citizenship Ceremony Management system, which speeds up the booking process. This would also save Barnet the cost of investing in new software</li> <li>• Receipt of citizenship documentation from the Home Office and ceremony administration could take place in one location</li> <li>• Both Barnet and Brent would benefit from being seen as innovators in commissioning</li> <li>• Cost savings in sharing a single staffing structure.</li> <li>• Development and support opportunities</li> </ul>		<p>guarantee Barnet is not realised through actual revenue returns, risking the successful continued delivery of services by Brent</p>

Option	Advantages	Disadvantages	Risks
	<p>for staff would be greater over a wider pool of employees</p> <ul style="list-style-type: none"> <li>• Save on the time and expense in processing Brent payments / invoices for the Head of Service</li> </ul>		
<p><b>Option 4</b>  Shared service with Brent, hosted by Barnet</p>	<ul style="list-style-type: none"> <li>• The service remains under the Council's direct authority</li> <li>• Customers can access the service across borough boundaries at their most convenient location</li> <li>• Opportunities to make use of Brent's online facility to apply for historic certificates of births, marriages and deaths (payable online with a credit / debit card)</li> <li>• Receipt of citizenship documentation from the Home Office and ceremony administration could take place in one location</li> <li>• Both Barnet and Brent would benefit from being seen as innovators in commissioning</li> <li>• Development and support opportunities for staff would be greater over a wider pool of employees</li> </ul>	<ul style="list-style-type: none"> <li>• Brent not willing to agree a shared service where Barnet are the hosts for Brent</li> <li>• Inconsistencies in the opening hours between Barnet and Brent. Brent would continue to operate Sunday opening hours which currently benefit those religions requiring funerals urgently</li> <li>• Additional set up costs for Barnet setting up a shared service model</li> <li>• Additional costs to Barnet to upgrade and merge systems to Brent's</li> <li>• Costs to Barnet for utilising the Brent Citizenship Ceremony Management system, which speeds up the booking process.</li> <li>• Issues to resolve around</li> </ul>	<ul style="list-style-type: none"> <li>• Staff may resist the culture change required in effectively implementing a new shared service model</li> <li>• Negative publicity (reputational risk) if performance is not as high through the shared service model</li> <li>• Confusion among residents as to which organisation is delivering their service</li> <li>• The expected amount of annual income that Barnet guarantee Brent is not realised through actual revenue returns, risking the successful continued delivery of services by Barnet</li> </ul>

Option	Advantages	Disadvantages	Risks
		<p>premises and maintenance responsibilities.</p> <ul style="list-style-type: none"> <li>• Issues to resolve around IT responsibility</li> <li>• Issues to resolve around the location of customer contact staff</li> <li>• Brent may not commit to an expected annual income (a target generated annually)</li> <li>• Cost savings in sharing a single staffing structure. If Barnet decide to extend its opening hours, additional costs would be incurred to match the Brent model</li> <li>• Brent may decide not to continue in the sharing of its Head of Service therefore initial costs as well as annual costs would increase for Barnet</li> </ul>	

## 5. Expected Benefits

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The recommended option is to commission the London Borough of Brent to deliver Barnet's Registration and Nationality service (Option 3).

As set out in Section 4, Option 3 presents the Council with the most financially advantageous model for delivering the service moving forward. In addition to the financial benefits, adopting Brent standards would entail longer opening hours in Barnet and a greater range of office locations and this is expected to improve customer service and satisfaction. With innovation led by the shared service (and potentially funded solely through the service's existing profitability) the quality of service could be enhanced and revenue from the service increased at relatively little cost or risk to Barnet. Furthermore, customers will continue to have a Registration and Nationality service delivered locally in Barnet.

Although contracted out to the London Borough of Brent, the Council would retain control over the strategic direction of the service and effective contract management would ensure the Council's reputation and quality of service was assured at regular intervals. Service level agreements would be set out and approved before any contractual commitments were made.

The benefits of a fully shared service with Brent, hosted by Brent, include but are not limited to:

- Service will continue to be delivered locally in Barnet
- Greater range and depth of services available across both authorities
- Ability to manage changing workload requirements more effectively due to the greater number of staff
- Improved ability to plan work efficiently, with a wider population of staff
- Attracting and keeping the best staff, through the greater opportunity for career progression within a larger department
- Increased operating hours
- Use of Brent's online facility to both apply and pay for historic certificates of births, marriages and deaths (payable online with a credit / debit card),
- Broader skills base
- Capacity and resilience to lead and develop the service to improve customer service and extend the range of services to residents
- Sharing of efficiencies and increased income
- Reduced headcount for the Council

## 6. Risks

The following risks will be assessed and managed in accordance with the council's risk management methodology:

Description of Risk	Cause / Consequence	Action(s) in place	RAG
Staff members object to the principle of the shared model.	<p><b>CAUSE:</b> Barnet TUPE transferring staff over to Brent.</p> <p><b>CONSEQUENCE:</b> Difficulty in creating the culture change necessary to embed the service.</p>	Staff will be engaged from the outset through information sessions and briefings on the business case and subsequent changes. Barnet staff pay scales will remain unchanged. Staff will transfer on their current terms and conditions.	12
Service users experience deterioration in the quality of the service during the transition to a shared model.	<p><b>CAUSE:</b> May be some disruption to the service while the transition takes place.</p> <p><b>CONSEQUENCE:</b> Deterioration in the quality of service while the changes happen may lead to reputational damage.</p>	<p>Measures will be in place to ensure that the transition is as seamless as possible. Services will continue to be run from existing premises. Any technical changes will be phased in to avoid disrupting services.</p> <p>It is intended that the initial duration of the contract will be for five years, with a five year extension subject to the usual clauses for termination in the event of poor performance. The contract will provide that Brent must deliver the statutory registration services to meet the statutory minimum standards.</p>	8
The expected amount of annual income that Barnet receives is not realised	<p><b>CAUSE:</b> Poor performance of service managed by Brent; Changes in legislation/statutory responsibility of service</p> <p><b>CONSEQUENCE:</b> Level of income to Barnet below current projections and continued viability of service put at risk</p>	In the event of poor performance of service through management shortcomings Barnet would hold Brent responsible for this and expect compensation on missed income targets. In event of changes to legislation resulting in a drop in income, in the first instance the service would be expected to seek to offset this drop through efficiencies/innovation. Barnet accepts that this may not always be possible and that income projections may change due to changes in legislation.	12



Description of Risk	Cause / Consequence	Action(s) in place	RAG
<p>Barnet residents are not clear about who is delivering their service.</p>	<p><b>CAUSE:</b> Barnet service transferring to Brent may cause confusions on where customers need to go and which borough is delivering the service.</p> <p><b>CONSEQUENCE:</b> Lack of adequate and clear communication could lead to confusion and possibly customer dissatisfaction.</p>	<p>A communications plan will set out on how the new shared service will be communicated to residents prior to any changes.</p>	<p>6</p>

## 7. Financial Appraisal

The cumulative surplus forecast of the recommended option is detailed below. This has been compared against Option 1, which has been taken as the effective baseline as this is the Option that would see the service simply maintained at current levels. This also factors in anticipated fluctuations and pressures on income over this five year period.

The recommended option is projected to deliver an increased surplus of £403,627 over a five year period when compared to the 'maintain existing' option.

	Yr 1-5 - 2014/15 to 2018/19 (£)		
	Option 3 - Recommended	Option 1 – Maintain Existing	Difference in surplus: Option 3 vs. Option 1
<b>Net surplus total</b>	<b>(467,148)</b>	<b>(63,522)</b>	<b>(403,627)</b>

NB: excludes efficiency savings targets, which are anticipated to increase surplus total for the recommended option. If this income and efficiency – expected to achieve c£50k pa – would achieve a further £250k surplus over this period.

### Project Costs

In June 2013 CRC approved a budget of £97,000 to deliver the OBC and Options Appraisal contained within this report. The actual cost of reaching this stage has been £59,645, resulting in an underspend of £37,355 on the project.

The project costs to implement the recommended option have been modelled on the recent experiences in the setting up of the Joint Legal Service with Harrow. It is estimated that the total sum required to deliver the implementation phase of the project is £140,000.

Deducting the underspend from the options appraisal phase this leaves a figure of £102,645 required to be added to the existing remaining project budget to deliver the recommended option.

Cost breakdowns for each phase are given in the table below:

Spend to Date (£)	
Project Management	46,269
Commercial Support	12,000
HR Support	126
Legal Support	0
Finance Support	1,250
Information Systems	0
<b>Total Spend to Date</b>	<b>59,645</b>

<b>Implementation Phase Budget (£)</b>	
Project Management	25,000
HR Support	25,000
Legal Support	66,000
Finance Support (inc. External Actuarial Costs)	12,000
Information Systems	7,000
Contingency	5,000
<b>Total Implementation Phase Budget</b>	<b>140,000</b>

<b>Total Project Budget (£)</b>	<b>199,645</b>
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**Recommendation: That £102,645 is allocated to the project budget from the Council's transformation reserve to complete the implementation phase of the project**

## 8. Project Approach

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On approval of the recommendation in this report the project would set out to implement a shared service arrangement with Brent; establish a formal Inter Authority Agreement (IAA), (5 year agreement) and transfer staff to Brent under the Transfer of Undertakings (Protection of Employment) Regulations 2006, (TUPE).

A high-level implementation plan can be seen in the table below:

Key Milestones	Timescales
OBC to Cabinet Resources Committee (CRC) for consideration of recommended option	04 Nov 13
Call-in (5 days)	06 Nov to 13 Nov 13
Business Management Overview & Scrutiny Committee	18 Nov 13
Formal Staff & Trade Union Consultation	Nov 13
General Functions Committee Meeting	20 Jan 14
Formal sign-off of the Full Business Case & Inter Authority Agreement	Feb 14
Pensions Fund Committee Meeting	18 Mar 14
Leader Delegated Powers Report (DPR) to give approval to the FBC and IAA	Mar 14
Implementation of new structure / TUPE transfer to LB Brent	1 Apr 14

**Recommendation: That the full business case along with the IAA be presented to the Leader of the Council and that the powers to give final sign-off on the future delivery of the service be delegated to the Leader.**

## 9. Dependencies

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<b>Dependencies</b>	<b>Mitigating action</b>
General Registrar Office (GRO) approval required from Barnet and Brent on new working arrangements	Application will be submitted in the New Year to ensure there are no delays
London Borough of Brent must also agree to the recommended option	On-going discussions with senior management in Brent throughout the process. Option in process of being reviewed by Brent internally with a view to formal recommendation being put forward to elected Members.