



REPORT TO:	Executive Board
DATE:	22 January 2025
SUBJECT:	Council / Public Sector Partnership Services Transformation and Service Modernisation Programme and Business Plan 2025 to 2027
PURPOSE:	To consider the Council / Public Sector Partnership Services Transformation and Service Modernisation Programme and Business Plan 2025 to 2027
PORTFOLIO HOLDER:	Councillor Graham Marsh, Deputy Leader
REPORT OF:	James Gilbert, Assistant Director – Corporate
REPORT AUTHOR:	James Gilbert, Assistant Director – Corporate
WARD(S) AFFECTED:	N/a
KEY DECISION	YES
EXEMPT APPENDIX	Yes. Appendix B. Not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972. The document contains commercially sensitive information.

SUMMARY

In 2020, East Lindsey and South Holland District Councils signed a new 10-year Joint Venture Agreement with Public Sector Partnership Services. Since that time Boston Borough Council has also transferred services in the company (from April 2021).

The three Councils – working together as the South & East Lincolnshire Councils Partnership – create the opportunity to accelerate their own transformation and the transformation of the services provided to their residents via PSPS.

This report brings forward the PSPS Business Plan 2025 to 2027 (Appendix A) for consideration; alongside a Transformation and Service Modernisation Programme (Appendix B) that PSPS would lead the delivery of.

The PSPS Business Plan is a matter for ELDC and SHDC Councils only, as the founding shareholders of the company.

RECOMMENDATIONS

Business Plan

- a) That, subject to a similar decision by the other founding shareholder, Executive Board recommends to Council the PSPS Business Plan 2025 to 2027 as set out at Appendix A.

Service modernisation plan

- a) That, subject to the budget allocations being approved for the identified investment, Executive Board approves the Transformation and Service Modernisation Programme set out at Appendix B.
- b) Subject to the budget allocations being approved, authority to approve or reject individual Business Cases in relation to the Transformation and Service Modernisation Programme be delegated to the Deputy Chief Executive – Corporate Development, in consultation with the PSPS Portfolio Holder.
- c) It is requested that through the Council’s scrutiny arrangements, there are periodic reviews of the Transformation and Service Modernisation Programme’s delivery.
- d) To note the feedback from scrutiny committee at section 4 in the report.

REASONS FOR RECOMMENDATIONS

To agree a Business Plan and Transformation and Service Modernisation Programme that seeks to enable PSPS to continue to improve services and deliver savings. These are requirements within the Joint Venture Shareholder Agreement.

OTHER OPTIONS CONSIDERED

Business Plan

Do nothing – whilst this is an option, the existing Business Plan needs updating and is a requirement of the Joint Venture Shareholder Agreement.

Alternative Business Plan – the Council could ask the company to develop an alternative Business Plan.

Transformation and Service Modernisation Programme

Continuing to invest in PSPS to enable transformative change both within the company and Councils is important at a time when there is ever increasing customer expectation regarding Council services and increasing budget pressures.

Do nothing – whilst this is an option, this is a requirement of the Joint Venture Shareholder Agreement.

1. BACKGROUND

- 1.1 In 2020, East Lindsey and South Holland District Councils signed a new 10-year Joint Venture Agreement with PSPS that sees the present contract run until 2030.
- 1.2 Boston Borough Council became a partner in PSPS in 2021.

- 1.3 The company provides the following services to the three Councils: Customer Contact, Finance, Health and Safety, Human Resources, ICT, Revenues and Benefits and Procurement and Contracts.
- 1.4 PSPS is a LATCo (Local Authority Trading Company) with Teckal status.
- 1.5 In October 2021, the South & East Lincolnshire Councils Partnership formed, with a key focus of the approved Partnership Business Case being on the alignment of activity/services/processes across the Partnership, where appropriate, to create efficiency and resilience. Many of the services PSPS provide play a significant role in facilitating the Partnership - in particular Finance, Human Resources, and ICT – and many processes and procedures in these services have now been aligned within the company as a result.

2 Business Plan

- 2.1 Appendix A sets out the proposed PSPS Business Plan 2025 to 2027. The Joint Venture Agreement between the founding Shareholder Councils (East Lindsey and South Holland) requires a Business Plan to be in place.
- 2.2 If supported by Executive Board, this will be recommended to Council for approval.

3 Service modernisation plan

- 3.1 PSPS's ability to work with the Councils to deliver transformative change has been demonstrated through the savings achieved during the company's first 14-years of operation. The savings in the first 14-years have totalled £29.1m.
- 3.2 Boston Borough Council's decision to join PSPS in April 2021; and the subsequent formation of the South & East Lincolnshire Councils Partnership, has presented the opportunity for the company and Councils to work together to develop a Transformation and Service Modernisation Programme for the benefit of all three Councils and their communities.
- 3.3 Appendix B sets out the proposed Council / PSPS Transformation and Service Modernisation Programme for consideration. It should be noted that project costs may vary as final detailed business cases are developed – the final costs will also depend on the number of shareholder Councils that participate. Whilst it is hoped all three shareholder Councils support the Programme, should a Council not participate, there still may be a valid business case for the company to present to the participating Councils.
- 3.4 Before taking forward each project funding will need to be allocated in the budget. If Executive Board supports the Transformation and Service Modernisation Programme and projects identified, the funding will be considered as part of the budget setting process.
- 3.5 If the funding is allocated in the budget, PSPS would be required to develop individual Business Cases for consideration by the Councils in relation to each project, with delegated authority to approve or reject Business Cases being granted to the Deputy Chief Executive – Corporate Development in consultation with the PSPS Portfolio Holder.
- 3.6 As well as the governance arrangements set out in Appendix B and this report, it is requested that scrutiny also review the programme's delivery from time to time.

4 Feedback from scrutiny committee

4.1 Overview Committee has considered the Business Plan and Transformation and Service Modernisation Programme.

When considering the Transformation and Service Modernisation Programme Members sought assurance that where external contractors are involved any risks associated with this are effectively mitigated. This assurance was given by the PSPS Chief Executive.

CONCLUSION

Business Plan

There is a need for PSPS to update their Business Plan and the Business Plan presents a direction of travel that has been supported by the Stakeholder Board and Company Board.

Transformation and Service Modernisation Programme

With all three Partnership Councils now having services provided by PSPS, having a single aligned Transformation and Service Modernisation Programme led by the company that improves services and seizes the opportunity of Partnership alignment is important.

EXPECTED BENEFITS TO THE PARTNERSHIP

The Transformation and Service Modernisation Programme has significant benefits to the community, Partnership and company.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

As above

CORPORATE PRIORITIES

The company supports the delivery of the Partnership's and Council's own priorities through both direct delivery and key enabling services.

STAFFING

None.

CONSTITUTIONAL AND LEGAL IMPLICATIONS

The constitution of the Councils and Joint Venture Shareholder Agreement set out the Councils and company governance arrangements and this decision follows the agreed approach.

DATA PROTECTION

Data Protection will be a consideration and appropriate arrangements are in place between the Councils and company to manage this.

FINANCIAL

The financial implications associated with the Transformation and Service Modernisation Programme are set out in Appendix B.

RISK MANAGEMENT

The Council carefully manages strategic risks via its Strategic Risk Register.

The Transformation and Service Modernisation Programme will have risk management as a key aspect within its governance. When the Business Case for each project comes forward for consideration, risk will be an area of consideration, included in this will be whether the project can be delivered within the anticipated timeframe, whether the impact will be as expected and whether the savings can be realised. Risk in respect of the overall programme will be monitored via the Programme Board identified in Appendix B.

STAKEHOLDER / CONSULTATION / TIMESCALES

Consultation has taken place on the Business Plan and Transformation and Service Modernisation Programme with the PSPS Stakeholder Group and there has been an all Councillor briefing.

REPUTATION

None.

CONTRACTS

Some of the projects may involve contract extensions and these will be considered on a project by project basis.

CRIME AND DISORDER

None.

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None arising specifically from the consideration of this report. However, each project that comes forward will be accompanied by a detailed Equality Impact Assessment to ensure decisions regarding project business cases are taken in the full knowledge of the impacts and the proposed mitigation.

HEALTH AND WELL BEING

None.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None.

ACRONYMS

- PSPS – Public Sector Partnership Services
- BBC – Boston Borough Council
- ELDC – East Lindsey District Council
- SHDC – South Holland District Council

APPENDICES	
Appendices are listed below and attached to the back of the report: -	
APPENDIX A	PSPS Business Plan 2025 to 2027
APPENDIX B (EXEMPT)	Transformation and Service Modernisation Programme

BACKGROUND PAPERS	
Background papers used in the production of this report are listed below: -	
Document title	Where the document can be viewed

None	
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CHRONOLOGICAL HISTORY OF THIS REPORT	
Name of body	Date
None	

REPORT APPROVAL	
Report author:	James Gilbert, Assistant Director - Corporate
Signed off by:	Christine Marshall, Deputy Chief Executive – Corporate Development / Section 151 Officer
Approved for publication:	Councillor Graham Marsh, Deputy Leader