

## Notice of Meeting

# Orbis Joint Committee



**SURREY**  
COUNTY COUNCIL

**Date & time**

Monday, 28  
September 2015 at  
11.30 am

**Place**

CC1, County Hall,  
Lewes

**Contact**

Simon Bailey  
West E, County Hall  
Tel 01273 481935

**Chief Executive**

David McNulty

[simon.bailey@eastsussex.gov.uk](mailto:simon.bailey@eastsussex.gov.uk)

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**This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Simon Bailey on 01273 481935.**

**Elected Members**

Ms Denise Le Gal (Business Services and Resident Experience, Surrey County Council) and Councillor David Elkin (Lead Member for Resources and Deputy Leader, East Sussex County Council)

## **AGENDA**

### **1 APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

### **2 MINUTES OF THE PREVIOUS MEETING: 29 JUNE 2015**

(Pages 1  
- 4)

To agree the minutes of the previous meeting.

### **3 DECLARATIONS OF INTEREST**

To receive any declarations of interest.

### **4 PROCEDURAL MATTERS**

#### **4a Members' Questions**

The deadline for Members' questions is 12pm four working days before the meeting (22 September 2015)

#### **4b Public Questions**

The deadline for public questions is seven days before the meeting (21 September 2015).

### **5 ORBIS BUSINESS PLAN**

(Pages 5  
- 82)

To approve the three year (2016/17 – 2018/19) business plan and to recommend the investment proposals and the roadmap for integration, contained in the business plan, to the Cabinets of East Sussex County Council and Surrey County Council for approval.

**David McNulty**  
**Chief Executive**

Published: 18 September 2015

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**MINUTES** of the meeting of the **ORBIS JOINT COMMITTEE** held at 3.30 pm on 29 June 2015 at Committee Room C, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on Date Not Specified.

**Elected Members:**

- \* Ms Denise Le Gal
- \* Councillor David Elkin

\* = Present

**Officers In attendance:**

**East Sussex County Council**

Kevin Foster, Chief Operating Officer  
Leatham Green, Programme Manager  
Marion Kelly, Chief Finance Officer

**Surrey County Council**

Ann Charlton, Director of Legal & Democratic Services  
Lee Danson, Programme Manager  
Julie Fisher, Deputy Chief Executive  
John Stebbings, Chief Property Officer

**1/15 APOLOGIES FOR ABSENCE [Item 1]**

There were no apologies.

**2/15 DECLARATIONS OF INTEREST [Item 2]**

There were no declarations of interest.

**3/15 PROCEDURAL MATTERS [Item 3]**

**a MEMBERS' QUESTIONS [Item 3a]**

There were no Members' questions.

**b PUBLIC QUESTIONS [Item 3b]**

There were no public questions.

**4/15 JOINT COMMITTEE TERMS OF REFERENCE [Item 4]**

It was noted that the Terms of Reference of the Joint Committee had been drafted to reflect the fact that East Sussex and Surrey County Councils were currently the only members of the Orbis partnership, and revisions would be made if additional partners joined in the future.

**Resolved:**

- (a) That the Terms of Reference of the Orbis Joint Committee, as set out in the annex to the report, be approved.
  
- (b) That the Joint Committee meetings be chaired by the Cabinet Member of the authority hosting the meeting.

**Reasons for Decisions:**

To formally establish a robust and democratic governing authority for the Orbis Partnership. The Joint Committee will be responsible for providing policy direction for the Partnership and overseeing its performance, to ensure it drives the desired positive transformation across the partnering authorities and delivers savings which will be used to sustain services for residents.

**5/15 INITIAL BUSINESS PLAN UPDATE REPORT [Item 5]**

The Chief Operating Officer for Orbis introduced the report and explained that the decision had been taken to develop a fully integrated service to deliver the aims of Orbis, rather than simply making arrangements for closer working within the existing structures of the two councils. This 'co-creation' approach was felt to be important in building a strong, efficient and effective partnership. Work was currently under way to develop the business plan for the partnership, and this would be considered by this Joint Committee at its meeting and presented to Cabinet as part of both Councils' medium-term financial planning. The aim was to achieve processes which were as simple and straightforward as possible.

The recommendations in the report were considered as part of the discussion on item 8 below.

**6/15 DATE OF THE NEXT MEETING [Item 6]**

It was noted that the next meeting of the Joint Committee would be held at the East Sussex County Council offices in September 2015 (actual date to be confirmed).

**7/15 EXCLUSION OF THE PUBLIC [Item 7]**

**RESOLVED** that under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under paragraph 3 of Part 1 of Schedule 12A of the Act.

**PART TWO – IN PRIVATE**

**THE FOLLOWING ITEMS OF BUSINESS WERE CONSIDERED IN PRIVATE AT THE MEETING. HOWEVER, THE INFORMATION SET OUT BELOW IS NOT CONFIDENTIAL.**

**8/15 DEVELOPING THE ORBIS PARTNERSHIP [Item 8]**

It was noted that the aim in future was to make as much information as possible available in the public domain, but elements of the report remained confidential at this stage while arrangements in the two councils were being aligned.

Significant progress had been made towards integrating systems and processes, although for certain areas, such as IT, there was still much to be done. The approach being taken was to design the functionality of the service to achieve the best outcomes and the devise the IT solution to achieve that, rather than allowing services to be constrained by the need to adapt to existing systems. However, whilst integration was the aim, the importance of retaining organisational sovereignty would also be recognised where appropriate. The Business Plan would seek to future-proof the joint service, and would be considered by the Joint Committee at its next meeting,

It was reported that staff in the two councils were positive about the Orbis brand, and the process had benefitted from the use of existing staff to design the service instead of bringing in external consultants.

The Members of the Joint Committee thanked the senior team for the work they had put in to achieve the progress so far.

**Resolved:**

- (a) That the plans for the future development of the Orbis Partnership be endorsed.
- (b) That the next steps proposed to further develop and refine the Business Plan for Orbis be approved.

**Reasons for Decisions:**

Approval of the proposed direction of travel is necessary for the Partnership to continue to work to develop the Business Plan. This will be taken to the Joint Committee in September and then to the October Cabinet meeting of each Council for approval.

**9/15 PUBLICITY OF PART 2 ITEMS [Item 9]**

**RESOLVED:**

That the information considered under Part 2 of the agenda should remain confidential and not be made available to the press and public.

[Meeting closed at 3.55pm]

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**Chairman**

Meeting ended at: Time Not Specified

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**Chairman**



**EAST SUSSEX COUNTY COUNCIL AND  
SURREY COUNTY COUNCIL**

**ORBIS JOINT COMMITTEE**



**DATE: 28 SEPTEMBER 2015**

**LEAD OFFICER: KEVIN FOSTER & JOHN STEBBINGS**

**SUBJECT: ORBIS THREE YEAR BUSINESS PLAN**

**SUMMARY OF ISSUE:**

A three year business plan for Orbis has been produced which incorporates a roadmap for implementation.

**RECOMMENDATIONS:**

It is recommended that the Joint Committee approve the three year (2016/17-2018/19) business plan and recommend the investment proposals and the roadmap for integration contained within it to the Cabinets of both Surrey County Council and East Sussex County Council for approval.

**REASON FOR RECOMMENDATIONS:**

Approval of the business plan is necessary in order for the partnership to implement the integration required to deliver the Target Operating Model .The implementation requires investment from both authorities to realise efficiencies that will be achieved through full integration as set out in the business plan.

**DETAILS:**

**Background**

- 1 Earlier this year both East Sussex and Surrey County Council Cabinets approved the business case to establish a public sector partnership to create an integrated business services organisation called Orbis delivering business and support services to both authorities.
- 2 The partnership incorporates the following services:
  - Human Resources (HR) / Personnel and Training
  - Property Services / Property and Capital Investment
  - Information Management and Technology / ICT
  - Procurement
  - Finance (including Internal Audit)
  - Business Operations (Shared Services)
- 3 Orbis builds upon an already successful collaboration between the authorities; established through the creation of a shared procurement function in 2012, with a

joint head of service, and the provision of transactional services (called Business Operations), which have been in operation since April 2013.

- 4 Both Cabinets determined a need for a plan to show the transition to full integration by 2018. In July there was an update on progress to the East Sussex County Council (ESCC) Corporate Management Team (CMT), Surrey County Council (SCC) Chief Executives Direct Reports (CEDR), the Orbis Joint Committee and Cabinet, since then work has progressed to produce the business plan and roadmap.

## **Supporting Information**

### **Business plan**

- 5 The Orbis Business Plan has been produced and is attached as Appendix 1. The Orbis Business Plan Summary is attached as Appendix 2.
- 6 The key sections of the business plan are:
  - Story so far and the Target Operating Model.
  - Three year roadmap.
  - Benefits case (including benefits, costs and investment).
- 7 A summary of the key points are set out below with full context and detail in the business plan.

### **Target Operating Model (TOM)**

- 8 The development of the partnership has been based on the principle of service and management integration. Core to this approach is a partnership Target Operating Model (TOM). A TOM framework and a set of design principles and parameters have been developed which will be used to establish a new coherent and consistent way of organising and managing services for the partners and customers of Orbis. More detail is available in section 1 of the business plan.
- 9 An integrated service model has been created for each service using the TOM framework and design principles.
- 10 The next phase of design will be to develop detailed processes for each service that feed into the overall model. It should be noted that the business plan does not include detailed structures of the services.
- 11 The progress update in July reported that the HR service was selected as a 'pathfinder' pilot to undertake a detailed, early redesign and become the 'proof of concept'. The aim of the pilot was to give assurance in the approach and overall high level design while also demonstrating that the financial benefits outlined in the business case, as well as other non-financial benefits, are achievable balanced against ongoing customer demand. The business plan sets out the outcomes of the pilot.
- 12 Under a Joint Committee model, existing employees will continue to be employed by their council and will work across all organisations within the Orbis partnership.

- 13 Work carried out identified material differences in pay between Surrey and East Sussex in a number of areas. It is necessary to develop and approach to pay which:
- Recognises the sovereignty of the employing organisation.
  - Recognises where partnership working, as defined by the TOM, requires true partnership roles, where the role holder is required to have equitable presence in each council in order to effectively undertake the role. These roles are relatively low in number.
  - Supports roles to be hosted by the most appropriate partner in order to maintain balance across partners.
- 14 In this context, a review of pay and reward has been undertaken for the partnership and a proposal developed that is manageable and sufficient to enable the partnership to be established.
- 15 Each sovereign organisation will retain the relevant level of control over core functions in order to deliver the priorities of the organisation. The partnership model allows this level of sovereign control via the joint committee structure although the more aligned the partners are, the more benefit that is achieved.
- 16 Orbis aims to grow beyond the initial two founding partners to create further scale and efficiencies. There is already interest from other local authorities wanting to sign up to the Orbis vision of the compelling alternative. Detailed work is on-going around defining the commercial principles for joining as an Orbis partner.

### **Three year roadmap**

- 17 The roadmap can be found in section 2 of the business plan. Orbis has a strong ambition to build a better service for our customers; however, the journey to get to this future state is significant and will require time and investment. The roadmap for change sets out the change activities to transition services from current to future state.
- 18 Business change and transition will be delivered in a phased approach over a three year period. Each service will deliver their integrated service offering and the phasing of change activities will vary by service depending on business readiness, technology requirements and resource capacity. All services have established a vision for their future service. The next phase of the programme will be designing the future state and mapping out the journey to get there.

### **Benefits for the partnership**

#### **Benefits**

- 19 The initial business case, approved by Cabinet in February (SCC) / March (ESCC), indicated potential financial savings of 10%-15% (£6m-£8m across both East Sussex and Surrey) over a three year period based on management de-layering, process improvement and reduction of duplication. After 'stress testing' and benchmarking against shared services integrations of this type, there is confidence that total savings of at least 12% against the 2015/16 baseline budget can be achieved by year three of the business plan.

- 20 To enable a more detailed benefits case, each service has identified 'areas of search' to provide focus for where the largest benefits are expected. These will be used as a starting point for the next phase of work to define a set of simplified, standardised and harmonised processes and a more accurate benefit estimate.
- 21 In addition to the financial benefits expected from the partnership, there are non-financial benefits that Orbis will aim to achieve over the next three years, these include:
- Improved client management and customer experience through process reengineering, better use of technologies and excellent people management.
  - Better insight for decision making and investment due to improved systems and information management.
  - Increased staff motivation and attraction of top talent through Orbis-wide people engagement and development work.
  - Incremental growth by attracting additional partners and customers and adding additional services to the Orbis offering.

### **Investment**

- 22 A transformation of this scale and duration will require a significant investment. The main investment cost will be technology to enable more efficient service delivery and resources to implement the programme. High level estimates show potential implementation costs of £6m across East Sussex and Surrey over the three year business plan. More detail, setting out the relationship between benefits and the associated investment requirements, is available in section 3 of the business plan. These costs have been reviewed to incorporate updated estimates based on further IT design definition and a potential programme team to support implementation.
- 23 A separate business case for the Business Solutions Platform will show the benefits and costs associated with replacing the existing Enterprise Resource Planning (SAP) systems in both organisations. The additional functionality offered by this platform may enable additional benefits from Orbis. That business case will go to Cabinet for review at a later date.

### **Benefits of partnership for both authorities**

- 24 By integrating services between East Sussex and Surrey County Councils in this way there are additional benefits that each authority could not have achieved on their own. The immediate benefit will be realised by establishing the integrated services and the efficiencies that can be gained from doing this (de-layering management). The additional benefits of integration include:
- An improved operational resilience as greater depth and breadth of skills exist across both councils.
  - Greater buying power when commissioning services which will be a direct benefit to internal customers.

- The scale of the services ensures growth of the partnership and will enable improved opportunity for bringing in new external customers and reducing the costs to individual councils further.
- Improved processes, systems, and management information that will provide better insight for decision making and identify where attention could be provided to improve value for money.
- Staff motivation to be part of an innovative, knowledge-led organisation which places emphasis on the development of talent. Orbis place significant emphasis on developing this and has launched 'Ingenium', our high performer talent programme.
- Reduced costs for operational activity such as licensing costs.
- Supports wider partnership working and development of devolution opportunities.
- Greater leverage from investments made across partners and sharing of learning.
- Scale provides a greater potential and opportunity to innovate.

#### **CONSULTATION:**

25 The approach taken to develop the integrated service has been collaborative; co-designed with the Orbis leadership community.

26 The consultation included:-

- Trade unions;
- Orbis Leadership community;
- Chief Executives and extended Leadership of both authorities;
- scrutiny committees of both authorities, both individually and jointly.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

27 Section 4 of the business plan details the risks associated with the partnership. Risks captured are categorised as strategic, financial, operational and reputational.

28 Risks will be reviewed regularly by the Orbis Leadership Team (OLT) and appropriate actions / decisions taken.

#### **Financial and Value for Money Implications**

29 The report to Cabinet on 24 February/10 March 2015 set out the expected benefits and investment requirements. The due diligence work that has supported the development of the business plan has confirmed that the operating budget for Orbis is £64.8m (2015/16 baseline).

30 Proposals developed within the business plan indicate ongoing savings of £8.3m per annum by 2018/19 can be delivered. This is at the upper end of the range referred to in the earlier Cabinet reports.

- 31 One-off investment requirements of £6m (excl. redundancy) are also included in the business plan. Each organisation will determine separately how to fund this investment and whether payback is required ahead of showing efficiencies in their budgets.
- 32 There is an expectation that redundancy costs will also be incurred (whether through a voluntary severance route or as an outcome of restructuring activity).
- 33 The projected profile of benefits and investment (incl. any severance costs) is:

	2016/17	2017/18	2018/19
	£m	£m	£m
Savings per annum	1.2	2.9	4.2
Savings against current Base	1.2	4.1	8.3
Cumulative total savings	1.2	5.3	13.6
Investment	-4.2*	-2.1	-0.7
Cumulative net benefits	-3.0	-1.0	6.5

\* Dependent upon the speed of delivery, of this total up to £1.3m may be incurred prior to 1/4/16

- 34 The due diligence analysis has also confirmed that sharing benefits and investments between the two partners in a one-third two thirds ratio will ensure both organisations can be satisfied that value for money is assured.

### **Legal Implications**

- 35 The Orbis Joint Committee has had delegated to it the oversight of joint service delivery through the Orbis Partnership and the approval and monitoring of the Orbis business plan delegated to it. The business plan is predicated on further investment by both partner councils. Approval of that investment remains with the Cabinets of East Sussex and Surrey County Councils and the Committee is also asked to recommend that investment to those Cabinets.

### **Equalities and Diversity**

- 36 An introductory Equalities Impact Assessment (EIA) has been produced; it is not possible to produce a full EIA at this stage of the Orbis Business Plan. Appropriate actions will be identified and proposed through further assessment by work streams and programmes of work.
- 37 The Orbis Leadership Team (OLT) will be accountable for ensuring that full EIAs are performed at the appropriate stages; the introductory EIA identified that the Orbis Programme Team will factor impact assessments into the formal process and responsibilities of each work stream/programme and that relevant OLT member(s) develop and sign off the content of any impact assessments.

### **WHAT HAPPENS NEXT:**

- 38 Approval required from both East Sussex and Surrey County Councils Cabinets for:

- Approval and support for the level of investment required.
- 

**Contact Officer:**

Lee Danson, Orbis Programme Manager. Tel: 020 8541 9567

**Consulted:**

- Chief Executives – East Sussex County Council (ESCC) and Surrey County Council (SCC)
- SCC Chief Executives Direct Reports (CEDR)
- ESCC Corporate Management Team (CMT)
- SCC Council Overview Board (COB)
- SCC Transformation Sub-Group
- SCC Investment Panel
- ESCC and SCC Council Leaders and Cabinet Members
- Orbis Leadership Team (OLT)
- Orbis 80 – group of nominated managers from the Orbis services
- East Sussex County Council Leadership Group and Surrey County Council Extended Leadership Team
- Board of the East Sussex County Council Audit, Best Value and Community Services Scrutiny Committee
- Trade Unions (East Sussex County Council and Surrey County Council)

**Appendix:**

- Appendix 1 - Orbis Business Plan
- Appendix 2 - Orbis Business Plan Summary

**Sources/background papers:**

- Orbis Business Plan
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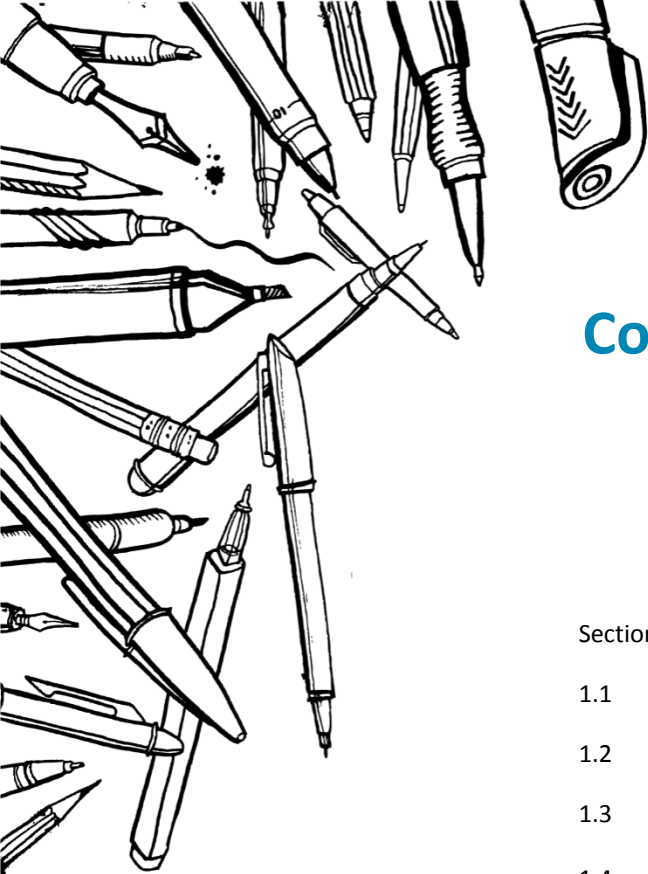


The word "orbis" in a large green sans-serif font, with the letter 'o' stylized as a blue and green circle.

The Compelling Alternative

**Business Plan**





# Contents

	Page
Introduction	3
Purpose of this Document	4
Section 1 The Story so Far	5
1.1 Our Approach to Designing Orbis	6
1.2 Vision and Strategy	9
1.3 People, Organisation and Culture	11
1.4 Customer and Partner	15
1.5 Services	20
1.6 Governance	27
1.7 Technology and Information	29
1.8 Location	34
Section 2 Three Year Roadmap	37
2.1 The Journey so Far	38
2.2 Three Year Roadmap	40
2.3 How it will be Delivered	43
Section 3 Benefits Case	45
3.1 Benefits Case	46
3.2 Investment Required	50
Section 4 Risks	51
Section 5 What's Next for Orbis	56

# Introduction

## Strategic ambition for the Orbis partnership

The business services functions of East Sussex and Surrey County Councils provide a range of professional, advisory, transactional and operational services, which support residents, elected councillors, and public-facing services.

We are creating an efficient, modern, agile and digitally enabled operation by building on our established partnership in Procurement and Shared Services, (now known as Business Operations), to create a fully integrated business service known as Orbis . The partnership was originally launched in April 2015.

Providing excellent customer service and delivering public value are at the heart of our ambition. The partnership incorporates Human Resources and Organisational Development, Property Services, Technology and Information, Procurement, Finance and Business Operations.

## What makes Orbis the ‘Compelling Alternative’

Our ambition is different



Orbis comes from the Latin word meaning ‘circular’ and ‘orbit’. We felt this really captured our intent to create all encompassing and seamless services which provide the professional expertise and passion needed to support the front line services of our partnership, and ultimately, for our residents.

Our approach is different



We have placed the engagement, buy-in and commitment of our people at the forefront. We have accelerated the people aspects of our design – tackling difficult decisions early such as ‘who do we need leading our services?’ and ‘how will we tap in to the fantastic talent that we possess as we design our future?’.

Our offer is different



We have been working with local government for over a hundred years – no one knows how it works better than us – we want to challenge the norm and provide a better level of service to support our partners and customers. The Orbis ambition is to become the public sector provider of choice. There is an expectation that the partnership will grow beyond the two initial founding partners, as it shapes and develops, in order to improve the service we can deliver and provide increased public value to a wider community.

# Purpose of this Document

## Background

Earlier this year, East Sussex and Surrey County Council’s Cabinets approved the business case to establish the joint public-sector partnership of Orbis. The business case outlined the transformative arrangement that will deliver affordable services to each council and deliver benefits to both parties. Significant savings will be achieved from integration, from the adoption of best practices, management de-layering, process improvement and reduction of duplication. The partnership aims to bring on board other Partners and develop a model to provide services to Customers.

Both Cabinets resolved that additional work was needed to develop a **business plan and a three-year roadmap** to show the transition to full integration by 2019, which are presented in this document.

## Purpose of this document

This business plan sets out the early achievements of the aims, ambitions and projected benefits which Orbis originally proposed. We are now in a position to outline future insights around what the ‘Compelling Alternative’ means for the future of our services – through a ‘proof of concept’ pilot project. This aims to provide Cabinet with the confidence that the investment required is essential to deliver the three year integration plan in a financially beneficial and sustainable way.

This document includes three sections:

1	The Story so Far	<i>‘Design and proof of concept’</i>	Outlines all initial design work as at ‘Year 0’ of the business plan. The work completed to date demonstrates confidence in the process and direction, proved through the HR proof of concept pilot project – accelerating the delivery of the Orbis HR design.
2	The 3 year Roadmap	<i>‘Making it happen’</i>	Outlines the pragmatic and sustainable three year roadmap to achieve projected benefits of the Orbis partnership including the programme infrastructure and investment required to make it happen.
3	Benefits Case	<i>‘Projected benefits and investment required’</i>	Outlines the projected financial and non-financial benefits Orbis will deliver, and the investment required to fully transition from current to future state.

There are a number of **principles for defining success** that we wish to demonstrate – providing Cabinet with the confidence to approve the investment required to complete the Orbis story and reach full integration.

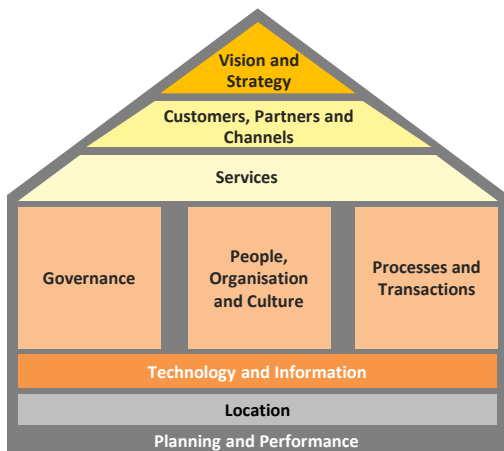
- ✓ We will consider and respect the future experience for our customers.
- ✓ Our decisions have been based on robust evidence and provide value for money.
- ✓ We understand, appreciate and have incorporated a vein of sovereignty.
- ✓ Our commitment to our sovereign authorities will not be impacted negatively.
- ✓ We can achieve greater things as a partnership.



# 1.1 Our Approach to Designing Orbis

## 1.1.1 Our methodology

In embarking on a complex and large scale change it is important to have a robust, tried and tested method for designing. We have developed the Orbis Target Operating Model (TOM) framework to do this.



**Orbis TOM Framework**

- **Vision and Strategy** – ‘What is the strategic reason for pursuing Orbis?’
- **Customers, Partners and Channels** – ‘How do we ensure that our customers are at the heart of what we do, as well as create a compelling offer which attracts partners and allow us to grow?’
- **Services** – ‘What are the core services and do they need to change as we integrate?’
- **People, Organisation and Culture** – ‘What are the key roles, talent and culture we need to succeed as a partnership?’
- **Governance** – ‘How will decisions be made, jointly?’
- **Processes and Transactions** – ‘What do our integrated, streamlined and efficient processes need to be?’
- **Technology and Information** – ‘What are the systems, applications and information requirements which will enable us to succeed?’
- **Location** – ‘Where will people be physically based?’
- **Planning and Performance Management** – ‘What are the key success factors which will guide how we plan?’

## 1.1.2 How this framework has been used

We have used this framework, or ‘layers’, to design and guide the content needed to develop the Orbis blueprint – outlining, at a high level, the future components of Orbis as a whole.

## 1.1.3 Overview of this section

This section of the business plan brings together the work carried out to date to develop the high level Orbis TOM across all services – while providing informative detail on ‘what this will mean in practice’ through the HR proof of concept. The other sections within the business plan detail the design so far against these layers.

In order to provide the right level of confidence at this stage of the business plan, ‘Year 0’, we selected a pilot project to undertake a detailed, early redesign and become the ‘proof of concept’. This provides assurance in the approach and overall high level design and also demonstrates that the benefits outlined in the business case are not only achievable, but prudent. HR was selected to be the pilot for this due to it being essential to the delivery and enablement of full integration across all services.

**HR Proof of Concept**



### 1.1.4 Design principles

In order to bring the Orbis vision to life, and allow the designs to stay true to it, we have developed a set of design principles. These principles are a unique and robust set of requirements which are used for designing the Orbis Target Operating Model (TOM). They were originally developed by members of the Orbis Leadership Team (OLT), and have since been revised, and agreed with a number of key stakeholders prior to beginning the design process.

#### By 2019 we will ...

1. place the customer at the heart of everything we do,
2. have a workforce who are proud and passionate and are given the opportunity to succeed and flourish,
3. embed a partnership culture, empowering our people to make decisions based on the right thing for our business and our customers,
4. be the public services supplier of choice, allowing our existing and future Partners to benefit from our increased standardisation and reduced duplication,
5. have a thriving business which is sustainable now and in the future.

We will test the principles on an on-going basis as the design for Orbis further develops and evolves.

### 1.1.5 Design Parameters

The design parameters translate the design principles into tangible design considerations, against which the effectiveness and appropriateness of the proposed design options can be assessed. These will act as a guide to the design of new services and a golden thread throughout. We have developed a set of principles that have been categorised against the layers of the TOM framework to ensure that all component parts are covered . The table below summarises some of our design parameters.

TOM Component	Design Parameters
<b>Customers, Partners and Channels</b>	Processes and enabling technology will be designed to empower customers to support themselves.
<b>Services</b>	The services will be annually reviewed against relevant external benchmarks and if necessary, changed to suit our two founding partners, and market demands.
<b>People, Organisation and Culture</b>	Matrix management will be incorporated into structures, roles and skills to enable the formation of topic-based, problem solving teams , which is underpinned through strong resource management
<b>Processes and Transactions</b>	Performance management will be consistent across the partnership and the process for this will be agreed across all partners .
<b>Technology and Information</b>	Innovative and transformational IT and Digital solutions will be used to support the delivery of operational and strategic priorities .
<b>Location</b>	Place resources where they add most value .
<b>Planning and Performance</b>	Robust evidence and intelligence will be gathered to drive decision making and performance improvement.

### 1.1.6 A collaborative and co-design approach

Orbis will capture a change in working for its people – these people are our biggest asset. This is why we have harnessed their talent as we design how we work in the future. Through drawing upon a number of key groups, a collaborative approach to developing the Target Operating Model (TOM) has allowed for a rich and informed design.

These groups consist of:

<p><b>Orbis Leadership Team (OLT)</b></p>	<p>OLT have been crucial to the success of the designs so far, leading the transformation of the six service lines while also taking key decisions which affect the future of Orbis as a whole.</p>
<p><b>Orbis Senior Leadership Team (SLT)</b></p>	<p>Orbis SLT are a group of nominated managers from the Orbis services, who form the ‘service design working groups’. These working groups have participated in a design process which has developed the individual service visions, the services which will be delivered in the future and the identification of benefits and phasing.</p>
<p><b>Focus Groups</b></p>	<p>The cross-service focus groups consist of a number of OLT members and skilled individuals from Orbis. The groups have been developing the cross-service layers of the TOM – including Partners and Customers, Governance and Branding.</p>
<p><b>ESCC and SCC Leadership</b></p>	<p>The East Sussex County Council Leadership Group and Surrey County Council Extended Leadership Team have been consulted at various points of the design of the Orbis TOM. This is to ensure a level of consistency and provide early visibility on what Orbis will mean for its Customers.</p>
<p><b>EPIC Champions</b></p>	<p>The EPIC champions form a network of volunteer change agents which has been created across Orbis who have come together to support a culture which brings the ‘Compelling Alternative’ to life. The role of an EPIC Champion is informal and provides challenge and insight to proposed designs – helping to shape the operating culture of Orbis. There is an open invitation to all colleagues .</p>
<p><b>EPIC People</b></p>	<p>Our EPIC people are fundamental contributors to our collaborative co-design. Thus far, we have used Yam Jams (online Q&amp;A sessions) and drop in sessions as open forums to gain feedback on our early design phase. We look forward to involving our colleagues further during the next phase of design.</p>
<p><b>Trade Union Partners</b></p>	<p>Orbis is committed to working with respective partners’ recognised trade unions. Orbis is committed to the concept of collective agreement and both values and welcomes the contribution that trade unions bring.</p>



# 1.2 Vision and Strategy



## 1.2.1 The challenge

While financial austerity in local government grows, the demand from customers remains – this means that we need to think differently about how we solve the continuing pressure for cost efficiencies. Orbis is founded on a devolution prospectus, to work with Government to deliver strong and sustainable economic growth, enhance productivity, transform public services and build on the track record for fiscal efficiency.

## 1.2.2 The vision for change

Orbis is predicated on developing something unique, to become the ‘Compelling Alternative’. The ambition is to deliver excellent services which place the customer at the heart of everything we do – in a way which is sustainable and protects the front line services, enhancing local residents’ experience with the councils.

We aim to create sufficient scale to recruit and retain the best staff, to drive shared efficiencies and to invest in enabling technology.

**Orbis, The Compelling Alternative**

*“A trusted partnership delivering value to customers and residents through our expertise, innovation and passion.”*

**epic**

**Expertise    Passion    Innovation    Customer**

The design of Orbis brings a significant opportunity to create a strong, sector leading entity with ambitions to become the public service provider of choice for the public sector. With this opportunity comes a responsibility to ensure the design remains close to our vision. This vision will guide future designs.

**Adding value to the customer**

The HR service, when challenged with defining what a ‘Compelling Alternative’ service meant for them, placed emphasis on providing enhanced value to the user contributing to strategic decision making and enabling users of the service to become more self reliant. HR’s future role in Orbis will be to empower Customers to make their own HR decisions by ensuring information required is easily accessible – standardising and, where possible, harmonising policies and removing barriers to enable swift and robust decision making. This will be delivered through having timely and appropriate access to essential advice, and enhancing the skill-set and confidence of managers. The HR service will lead by example, building on the best of what already exists, established through an existing professional community of confident and resilient practitioners.

**HR Proof of Concept**



### 1.2.3 The role of Orbis in the devolution agenda

East Sussex, Surrey and West Sussex have developed and proposed a devolution prospectus, known as the Three Southern Counties or the 3SC.

At the heart of the devolution offer is a commitment to work with Government to deliver strong and sustainable economic growth, enhance productivity, transform public services and build on the track record for fiscal efficiency.

Public service transformation is one of the two workstreams within the prospectus with a vision of **re-imagining public service delivery** through innovative approaches to service integration and collaboration between public sector partners and businesses.

Within the region there is a strong track record of established partnership working. It underpins everything and operates at many levels and on various county and cross-county geographies.

The three Local Enterprise Partnerships (LEPs) have provided helpful for bringing local authorities and wider public sector partners together with business, across a functional economic area, to develop Strategic Economic Plans and discuss a variety of local issues, including infrastructure, skills and housing.

We believe that Orbis aligns heavily to the principles set out by this initiative, through partnering to deliver more sustainable transformation across back office services.

There are many examples of cross-partnership frontline service transformation too. Some of these examples include:

- **New approaches** - adopting new ways of generating income and new models for delivering services including: Surrey Choices, established as a local authority trading company providing social care for people with disabilities; and integrating the East Sussex Adult Social Care Living at Home Service within East Sussex.
- **Sharing assets** – West Sussex County Council shares accommodation with Horsham District Council, in addition to other public services, delivering significant savings for both and enhancing joint working opportunities.

# 1.3 People, Organisation and Culture



## 1.3.1 Overview

The people, organisation and culture are all at the heart of the Orbis future state design and we believe that this is something which is key to making Orbis the ‘Compelling Alternative’. The vision for Orbis is underpinned by EPIC people, delivering expertise with passion. There are a number of key deliverables created for this layer of the Target Operating Model (TOM) outlined below.

## 1.3.2 People

The HR infrastructure and the delivery of sustainable change are key priorities for the Orbis design. A number of initiatives are underway as the change is delivered collaboratively through the existing talent within the organisation. Some of the key activities include the development of an Orbis-wide Recruitment Strategy, the Orbis Talent Management Programme and a Pay and Reward Programme. These are just three of the key elements of the People and Transition Strategy that are being developed to enable people based changes across Orbis.

### 1.3.2.1 Leadership

The Orbis Leadership Team (OLT) have been crucial to the success of the designs so far, leading the transformation of the six service lines while also taking key decisions which affect the future of Orbis as a whole. It was important to mobilise the leadership early, as they are integral to the success of the partnership, they are leading the change with expertise and passion with their teams.

The aim is to create leaders at all organisational levels so that decisions are taken with confidence by those best placed to make them. By doing this we will enable our leaders to act confidently together with a strategic and commercial focus.

We have developed a common set of leadership behaviours:

Behaviour	This means...
Lead by Example	consistently role model the Orbis behaviours,
Inspire and Involve	setting a clear direction and involving others in the achievement of it,
Empower	leading in a way that enables others to take action and develop themselves.



### 1.3.2.2 Orbis talent

Our Orbis people are our unique differentiator and are at the core of delivering the excellent public services which our Partner organisations will provide through Orbis. We want to keep our talent, and continue to grow, nurture and retain it. Therefore, we have prioritised the early launch of our talent programme, which includes Ingenium.

Ingenium was launched to recognise, stretch and engage the talent across Orbis. It reflects the difference we are seeking to achieve in our behaviour, our thinking, and the way we evolve and engage with our people. The programme is all about identifying and showcasing the tremendous breadth and depth of emerging talent that exists within Orbis. Ingenium will also bring value to the organisation as people will be required to think of business problems we may experience in the early years of Orbis' formation and come up with innovative ideas to overcome them. The programme is in an early phase of design, and will eventually be a part of a broader talent strategy for Orbis.

The programme aims to encourage and invest in Orbis employees who are in the early stages of their career. The aim of the programme is to embed the EPIC behaviours within Orbis and to bring to life the aspirations detailed in the original Orbis business case:

- Fostering expertise, passion, innovation and customer focus within Orbis.
- Giving employees the opportunity to succeed and flourish.
- Retaining and developing talent within the organisation.
- Tapping into the potential of our people to explore and resolve real-life business issues.
- Creating a pool of talented individuals whose skills can be accessed as and when needed within the organisation.

Ingenium is not a selection process for wider Orbis changes - it is an EPIC celebration of talent and a developmental opportunity for those in early stages of their career. This will be communicated throughout the process.





### 1.3.3 Organisation

We believe in true, collaborative co-design, with appropriate involvement of our workforce and trade union colleagues; we want a rich design which is informed by our EPIC people. That is why we have prioritised the first key milestone as getting the management in place to lead the way. Through this, initial efficiencies will be made, in line with the initial business case (outlined in section 3).

This is not just about removing the duplication of management that naturally results when integrating two separate services; it is about getting the right roles and people, that will deliver our 'Compelling Alternative' and transformed service models. We think that this is the right way to create sustainable change which has minimal impact on our Customers.

The management structures will be designed for each of the six services using the design parameters and principles. The aim is to reduce management hierarchy, to aid a more flexible structure and faster decision making.

### 1.3.4 HR Policies and procedures

Harmonising policies and procedures wherever possible is an important part of developing an Orbis culture. We have undertaken detailed work to understand how we can operate within the parameters without fettering contractual terms and conditions of each Partner organisation, and put in place practices to make Orbis feel compelling for our staff.

*HR Proof of Concept*

In order to harmonise processes across Orbis, it is important that the underpinning policies align and are standardised across the two organisations, where necessary. As part of the future state design work for HR, we have begun to review the HR policies and procedures across both partners. Strong similarities already exist, however there is an opportunity for greater alignment. We have identified specific opportunities for greater standardisation of policies such as grievance, disciplinary, and performance management. Work on this will continue in the next phase of detailed design work.



## 1.4 Customers and Partners



### 1.4.1 Customers and Partners

The work to date on Customers and Partners has been focused on defining our 'offer'. We have developed the vision for our services – how we want our Customers and Partners to feel and experience our services, and the next phase will be to design and deliver this vision.

Our approach is one of collaboration and co-design, and we will therefore involve our Customers and Partners in the design of our future state services.

- When we refer to Customers we are referring to the internal departments of our internal organisations e.g. Adult Social Care is a customer of Orbis.
- When we refer to Partners we are referring to other organisations who wish to join and integrate with Orbis.
- When we refer to Business-to-Business (B2B) Customers we are referring to recipients of our services, such as other local authorities who buy payroll.

### 1.4.2 Customers

Our vision for Orbis is predicated on developing services which place the customer at the heart of what we do, and through this we will achieve our ambition to grow through partnership.

Our Customers are our greatest priority and we believe that we will be able to enhance the service we provide them through our joint offering. As we work together to integrate our services, we have the opportunity to redesign and re-engineer our services to make them best in class. We will work to develop the 'Compelling Alternative' together by leveraging our leading practices and looking for innovative ways to improve customer experience and accessibility.

In addition to design of services, we will also look to improve customer experience through growth. By attracting new partners, we will be able to grow the size and scale of our operations, and add new services to the Orbis offering.

New partnerships will enable us to grow by reducing our operating costs, and achieving greater efficiencies of scale. This approach will help us build the resilience of our services and improve the experience for our Customers. Working together we will be able to expand our current customer base and enhance our services by learning from one another and leveraging best practices across the partnership.



### 1.4.2 Customers (Continued)

Our Customers are the essence of our service delivery, and how we continue to work with them as a partnership is integral to our future success. The service design for Orbis proposes a channel re-design towards increased self-sufficiency, by empowering Customers to manage more of their own supporting processes, and placing less reliance on business support functions. The ambition is for Orbis to achieve a level of consistency in quality for our Customers, providing them with ease of access to the services that they need. The detail for how this will look and feel will be designed over the next phase of service design.

We have a number of success stories for moving to this way of working already. Two examples of these are below.

#### Property Services to Schools in SCC

The Property service in SCC introduced a new self-serve technology so that Schools could log their maintenance requests. This allowed them to have real-time information on the progress of their request. Benefits included:

- Increased accuracy of data and information (schools self-submitting).
- Increased customer satisfaction.

#### Employee Programme - HR Services in ESCC

The employee assistance programme at ESCC moved from a face to face channel to a telephone service.

Benefits included:

- Access availability increased to 24/7, 365 days per year.
- Reliability and universal access.
- Reduction in cost of service by 80%.

#### Enhancing the service offer

The model overleaf has been proposed by the HR pilot project. This channel re-design aims to deliver a better service to Customers by improving the convenience and accessibility of HR tools and resources, to enable managers to make effective decisions. The channel re-design to less dependency on the HR professional service will be predicated on the right training and support for managers as well as access to the more standardised, simplified and harmonised policies and information they need to be able to make effective decisions. When the model is implemented well, it will achieve greater consistency in the levels of HR compliance across the Partner organisations, enhance the speed of service delivery and provide the Customer with greater clarity through swifter access to the support and information they need. Additionally, with the right measures and plans in place, this channel re-design can realise significant benefits in reducing cost of the HR service – minimising the capacity needed from HR professionals.

This approach has been adopted by many leading organisations, particularly in the private sector where enabling technologies support the use of employee self-serve. The shift in channels and enhanced empowerment also support the matrix management ambitions of Orbis – line managers will change for project working or will be expected to direct remote teams, therefore the ability for employees to support themselves will be essential.

*HR Proof of Concept*

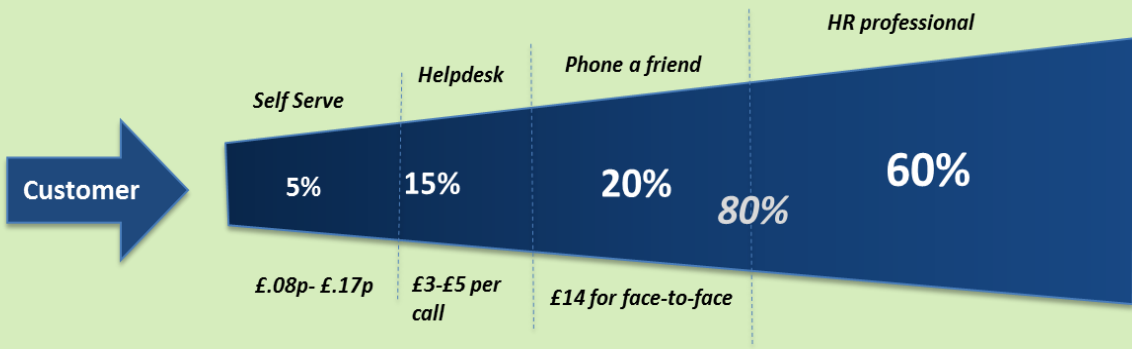




**HR Proof of Concept**

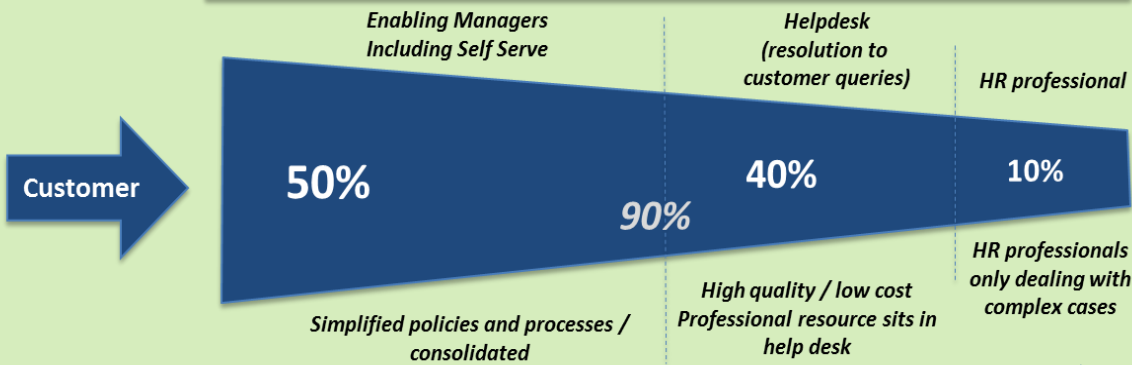
### Enhancing the service offer

This enhanced service offer has been underpinned by a detailed analysis of existing practices, external benchmarking and challenge from leading external professionals. The pace and scale that this enhanced model can achieve will be dependant on a number of factors, such as investment in technology, up-skilling of managers and the availability of a standard technical solution across the partnership.



### Future State

**Technical layer / platform**



**Increasing restorative / mediation reducing formal cases**

The figures above are the most quoted for channel re-design savings in the UK and have been used in many local and central government papers and channel strategies.



### 1.4.3 Partners

We have an aspiration for Orbis to grow beyond the initial two Founding Partners and we have already generated interest from other local authorities wanting to sign up to our vision of the ‘Compelling Alternative’. Together, we can create further scale, efficiencies and rival the private sector in delivering support services to a range of Customers. The below is a proposal for partners joining Orbis. It outlines the potential ‘offer’ for new Partners wishing to join the partnership.

New Partners will have the ability to help shape and influence how services will be delivered in the future. New Partners will have the opportunity to keep Orbis compelling, ensure it remains fit for purpose but ultimately benefit from the established services and ways of operating which have been designed so far – including the efficiencies. Detailed work is on-going around defining the commercial principles for working as an Orbis Partner – we are currently having open conversations with potential interested Partners about how this could work in practice.

Orbis Vision	<i>“A trusted partnership delivering value to customers and residents through our expertise, innovation and passion.”</i>	
Becoming an Orbis Partner	Orbis is all about creating a public sector shared service which aims to grow and strengthen through its Partners, increasing collective buying power and streamlining processes to provide better, more efficient services. The public sector should be seen as one team cooperating to deliver value for money services wherever possible. Orbis aspires to become the go-to place for delivery of public sector services.	
What to expect	<p>When you become a Partner, you invest in our vision for better and more compelling shared public services. It means you become an owner of this vision. This brings a significant level of responsibility and a number of advantages.</p> <ul style="list-style-type: none"> <li>• Support – Unlike the sole founder of an organisation, you are not alone, you are part of a collaborative network of fellow Partners who support one another to achieve our united goals of becoming the compelling alternative</li> <li>• Legacy – The Orbis Partners are custodians of the service, you will have a unique opportunity to co-create something that will continue to grow as we develop and become more mature .</li> </ul>	
The non-negotiables of becoming an Orbis Partner	<p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>• You will work within and be a part of the Orbis governance arrangements which have been set out as a Joint Committee.</li> <li>• You will benefit from sharing an already established, passionate Orbis Leadership Team (OLT).</li> </ul> <p><b>Investment:</b></p> <ul style="list-style-type: none"> <li>• You will commit time and resource to provide critical support to help shape the service (Founding Partners) to build a credible customer offering. Senior officers will be required to challenge the design of services constructively through open and transparent dialogue so that together we can build the compelling alternative. Operational staff will be required to take part in the co-design of detailed service offerings and structures.</li> <li>• You will commit a financial investment to an approved business case. Through being a Partner you have a real stake in our joint organisation.</li> </ul>	<p><b>Partner Types &amp; Roles</b></p> <p><b>Founding Partner:</b></p> <ul style="list-style-type: none"> <li>• Helps to shape the service to build a credible customer offering and the contractual arrangements which underpin e.g. terms and conditions.</li> <li>• Will inform the service scope and design of initial Key Performance Indicators (KPIs).</li> <li>• Play active role in transformation of service.</li> <li>• Benefits from co-developing the emerging offer and proves the model through ‘first customer’ status for your respective sovereign agencies .</li> </ul> <p><b>New Partner:</b></p> <ul style="list-style-type: none"> <li>• Sign up to the core Orbis offer designed and outlined in the business case, helping to shape how services continually improve.</li> <li>• Benefits from a mature service and joining the already established infrastructure.</li> </ul>



### 1.4.3 On-Boarding process for partners

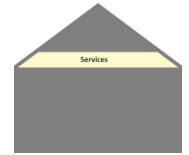
In order to realise the ambition to grow beyond the original Founding Partners, there is a need to define the on-boarding process for new Partners. Therefore we have started to develop an approach for assessing scope and fit for purpose of new Partners to ensure the long term growth and sustainability of the partnership is protected. It is essential that new partners who join Orbis are aligned with the vision and strategy of the partnership, and can contribute to the future growth and success of Orbis.

As we go through the development of a successful partnership, we are likely to come across a number of micro-level decisions and challenges that when seen in isolation could be difficult to overcome. These decisions are currently being considered by the Founding Partners, and will be developed as part of the Inter-Authority Agreement (IAA). The learnings from this will help develop a methodology and enable a more informed discussion with future Partners. However, there should be no negative impact to the sovereign authorities as a result of setting up Orbis; further reviews through the appropriate governance structures would be required if this was likely to occur.

It is important to recognise that the integration of new Partners will likely require a review of the IAA and the associated governance model.

Considerations	Why is it important?
<b>A</b> <i>Allocation of Cost of Shared Service</i>	As the partnership develops, and new organisations join, we will need to have a mechanism for allocating the costs of the partnership to all organisations.  This will include how the level of provision can be flexed, and what the rules associated with these are.
<b>B</b> <i>Overheads and Recharges</i>	In order to operate, there will be the usual overhead costs associated with running the organisation. However, there should be no additional costs to the sovereign authorities as a result of setting up the partnership which are not outweighed by financial benefit.
<b>C</b> <i>Capital Allocation</i>	As organisations enter the partnership they are likely to be at different points relative to each other.  Establishing a way that all organisations enter the partnership is important, including any one-off costs.
<b>D</b> <i>Joint Appointments</i>	Under the Joint Committee structure, employees may be required to work across all organisations within the partnership, but will only be employed by one.  Understanding and agreeing how employees within Orbis are managed is important to ensure that all staff are treated with the same standard across the partnership.
<b>E</b> <i>Pay, Reward and Terms and Conditions</i>	The terms and conditions across all entities entering the partnerships are likely to be different. We are working out a practical solution for the two founding partners, however, we would need to review the on-boarding of new Partners on a case-by-case basis to plan how we can make this work together.

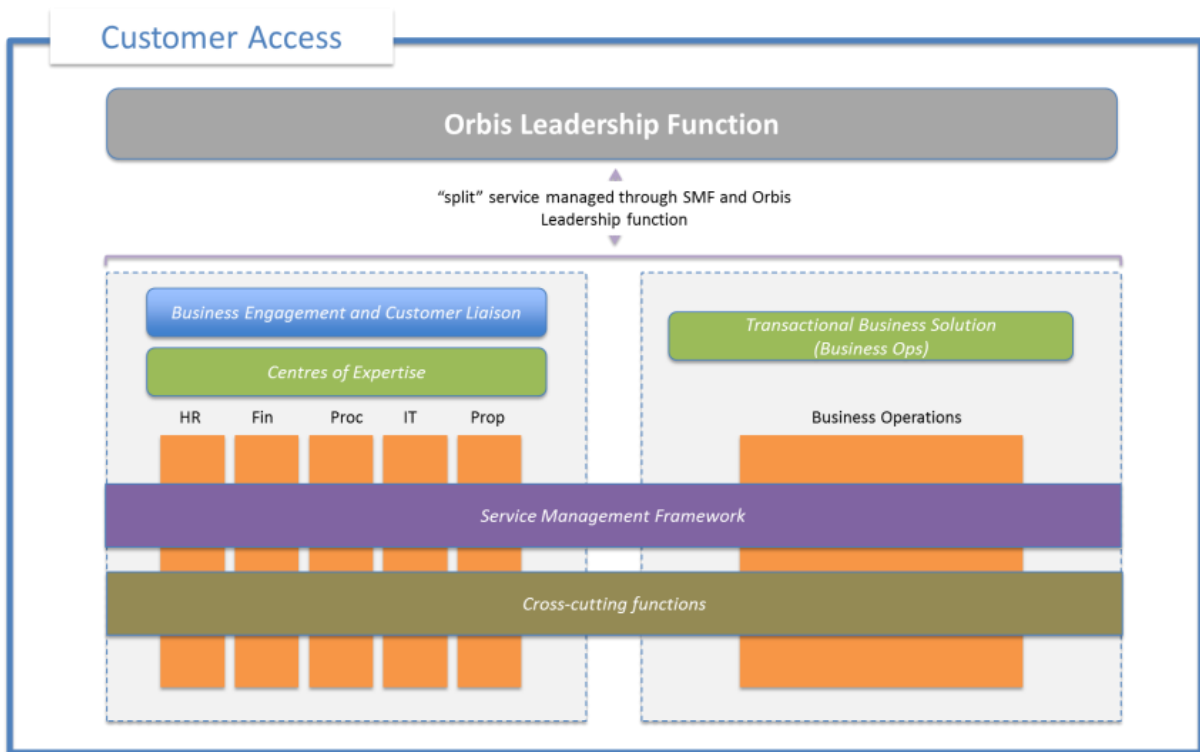
# 1.5 Services



## 1.5.1 Overview of Functional Service Model

Orbis has been designed with six functional services within its portfolio – these combine and integrate the offerings which currently, or will eventually, exist within East Sussex and Surrey County Councils. Underpinning these services is efficient and effective customer access and a strong leadership function.

Each of the six services within the Orbis portfolio have designed their future offerings under ‘Centres of Expertise’ and ‘Transactional Business Solution’. This approach to service delivery is based on a classic shared services model, and has been very effective in practice.



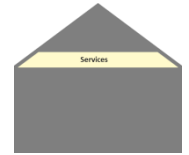
**Orbis Functional Service Model**

### 1.5.1.1 Orbis Leadership Function

Leadership is responsible for management of Orbis activity, affecting services, cross-cutting and Transactional Business Solution (Business Operations). This is an essential function to direct ‘whole-Orbis’ activity which spans across services and brings everything together.

### 1.5.1.2 Customer Access

Customer access, or ‘experience’, is a key focus of the detailed design of Orbis. We want to make it as easy as possible for our Customers to access our services and find the expertise, knowledge and information that they need. We believe the pathway for Customers should be designed as one – removing complexity and enabling ease of access. We will invest in enabling technologies that support this approach to service delivery, so that Customers can access and engage with our services more conveniently.



### 1.5.1.3 Business Engagement and Customer Liaison

Each service will naturally have their own approach to engaging with their Customers however, there will be a consistent approach to quality, gathering requirements and developing sovereign service strategies.

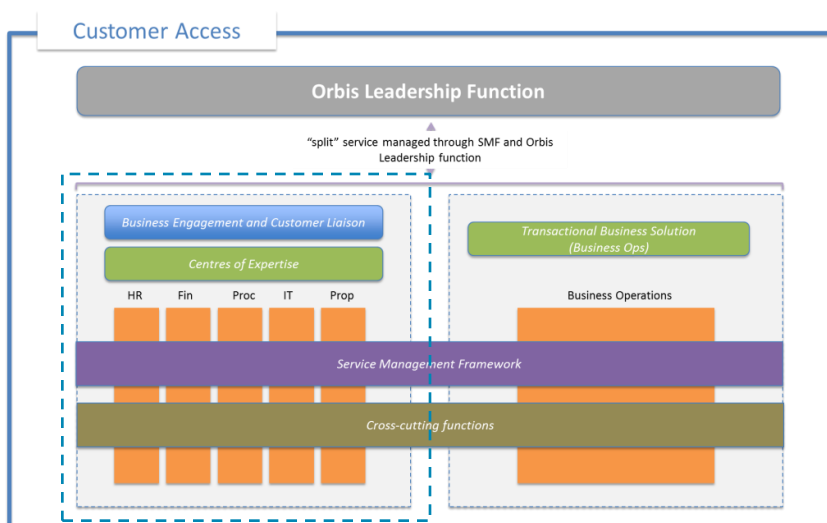
#### Specialist advice and strategy

Services will often have regular places on the Customers' service management teams, as well as providing pro-active insight and advice to enable Customers to make value for money decisions.

Additionally we will work with our Customers on a project/programme basis providing transformational expertise as well as day-to-day support.

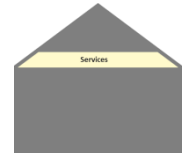
#### Customer experience

The first point of entry for all Customers requiring advice or access to information will be a key part of the Orbis design. We want to make it as easy as possible for customers to engage with us which is why it is a key part of our next stages of service design.



HR, through the pilot design, has designed its customer liaison through two senior management posts, each with a dedicated Partner organisation focus. These roles will be responsible for engaging with their respective organisation to 'commission' the services they need for HR from the pooled centres of expertise – such as workforce planning, policy development and HR advisory.

*HR Proof of Concept*



### 1.5.1.4 Centres of Expertise

The centres of expertise are the areas of professional specialism which will be ‘commissioned’ by the business engagement and customer liaison function on behalf of Customers. These areas of expertise have the ability to be traded to external customers. Generally they are agnostic of location. The following diagram summarises the proposed centres of expertise for each service:

Centre of Expertise Business Capabilities by Service				
HR	Finance	Procurement	IT & Digital	Property
Wellbeing / Health & Safety	Production & Maintenance of Strategies	Strategic Sourcing	Architecture & Design	Project & Programme Office
Workforce [Development & OD]	Delivery of Audit Plan, Assurance, Control Environment	Category Strategy Development	Projects & Programmes	Operations Delivery
Pay & Reward Strategy	Horizon Scanning	Contract Management	Application Management	Investment & Regeneration
Contract Management	Financial Hierarchy Design	Intelligence & Analytics	Service Management	Asset Strategy Management
Policy Development	Subject Matter & Specialist Finance Advisory	Professional Skill Development	Security & Risk	Capital Projects
HR Advisory	Data Analysis & Reporting		Operations	
			IT Services for Schools	
			IT Services for Libraries	
			Data Centre Provision	

### 1.5.1.5 Partnership growth and new services

There is a process to be taken with new partners to identify whether new services e.g. Revenues and Benefits, would become a new offer (a new vertical) or be incorporated within an existing service (an existing vertical). This will be dependant on maturity of the service to take on the new activity and / or where the function can be managed most effectively; as well as the views and insights from the new partner bringing the service into Orbis.

#### The HR Centres of Expertise

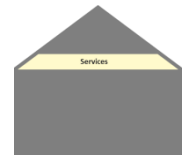
These represent the key areas where both Partners will benefit from integration, both in terms of cost reduction (doing things once) and maximising scarce expertise, thus improving service resilience.

**Policy Development:** an integrated team will be refreshing and responding to changes in national legislation and recommending the action required to current practice to ensure both Partners are legally compliant.

**Well-being, Inclusion, Health & Safety:** This specialist unit will be able to coordinate a standard offering to support Partner organisations’ well-being strategy. It will also be able to respond to specific localised commissioners at a corporate departmental or team level in response to a specific local requirement or focus. The learning and benefits acquired from such localised commissioners are then shared across the team.

**Contract management:** coordinates the procurement of activities such as agency staff, recruitment and occupational health to ensure maximum efficiency and service quality is procured and the relevant contracts effectively managed. Contracts may be partnership wide organisational specific and will utilise expertise, minimising duplication and sharing learning and continuous improvement.

*HR Proof of Concept*

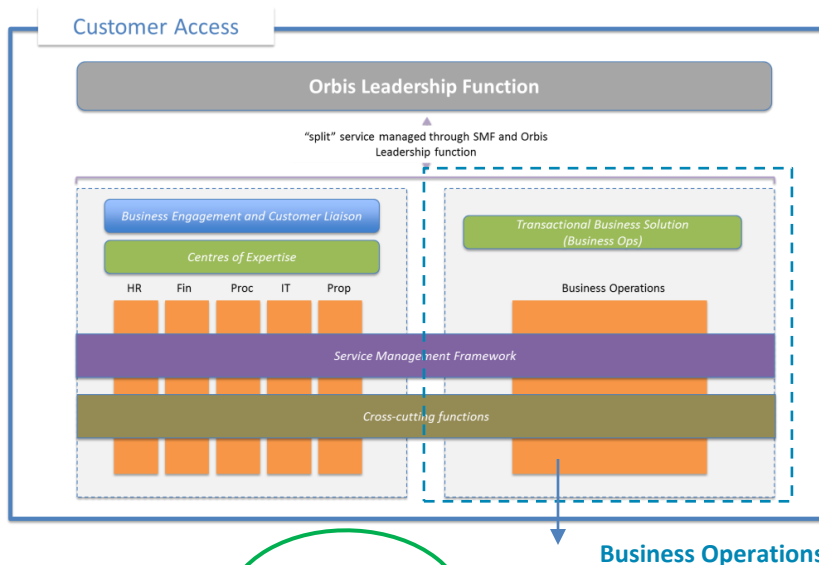


### 1.5.1.6 Transactional Business Solution

Services within this function will drive efficiencies for Orbis and its Partners and Customers by reducing unit costs through efficiencies of scale. Typically these efficiencies will be achieved by effective process reengineering, better use of available technologies and through excellent people management.

This will involve a clear split between services (left) and Transactional Business Solution (right) but there will still be single service ownership through 'Global Process Owners' which sit across the end to end process.

This will mitigate the risk of services becoming solely 'customers' of the Business Operations function – further enabled through the Service Management Framework.



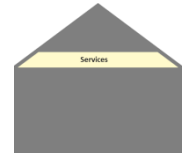
#### Business Operations

**HR Transaction Services**  
 HR scoped the services to be placed in 'Business Operations' by determining the services which could benefit from increased automation, standardisation and general efficiency generation. The ideal is that the channel re-design implementation will enable this change.

**HR Proof of Concept**

Pensions	Payroll	E-recruitment
First Level HR Advice	Training Administration	

HR transactional activity	Finance transactional activity	Procurement transactional activity
Property transactional activity	IT and Digital transactional activity	
First line customer contact		
Continuous improvement		
Data management		



### 1.5.1.6 Transactional Business Solution (Continued)

We have developed a unique model for the running of Business Operations, identifying scope and purpose of fit of services to be transitioned into Business Operations.

Work has already been initiated during the service design workshops to identify certain services that could be delivered by Business Operations due to their transactional, high-volume nature. The aim is to drive additional growth and deliver more efficient services, through reengineering processes and adding increased automation where possible. Through this, we will be able to reduce our operating costs, and improve our services in order to attract new Customers and Partners. This strategy is a key long-term growth driver for Orbis, which will help us compete in new markets, by enhancing the services we can deliver through the scale of our joint partnership.

### 1.5.1.7 Commercial Opportunities

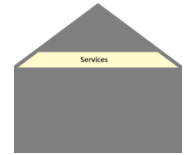
East Sussex and Surrey County Councils already have some excellent successes in trading their services commercially, for example the Business Operations team trade their payroll function to a number of other public sector organisations.

As part of our ambition for growth, we will build on this success and continue to commercialise certain services, and improve the Orbis offering to win new business. We believe that by joining together and driving scale, we will be able to achieve efficiencies and make our services more competitive and gain additional market demand.

We are already generating 5% of our in-scope Orbis activity from customer income, and we believe we can grow this further by striving for operational excellence, and delivering on improved customer satisfaction.

We have developed an approach for identifying sales opportunities, and winning bids successfully, which our services are already using to win business for Orbis. In the next phase of the programme, we will develop a growth and commercial team, who will design and deliver a growth and commercial strategy to coordinate new business opportunities across services. Through this we will be able to effectively develop portfolio strategies for our services, and link up the account management across Orbis.

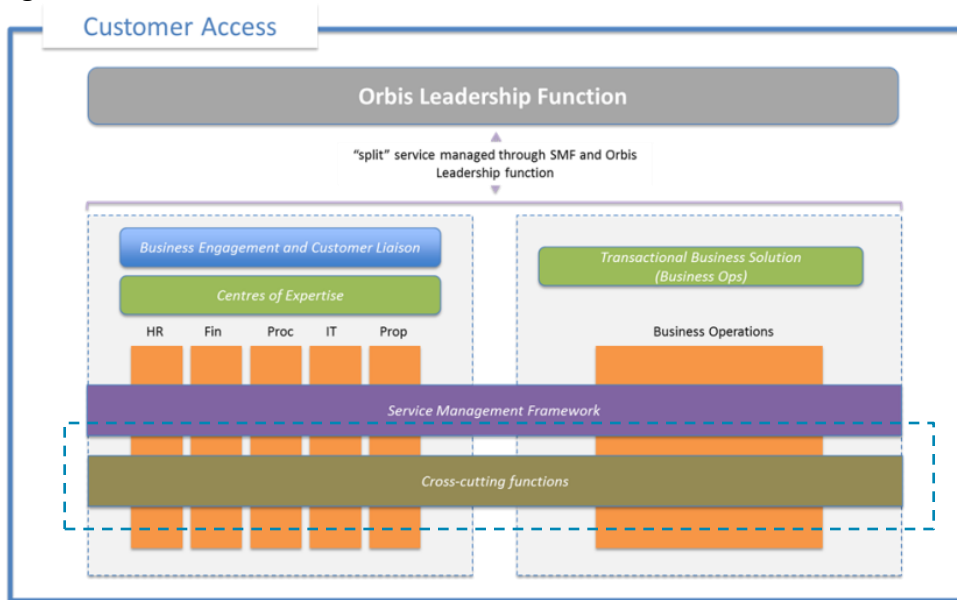




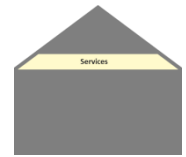
### 1.5.1.8 Cross-Cutting Functions

There are a number of offerings and operations which span across two or more of the six services. These have been defined as ‘cross-cutting functions’.

There were a number of choices for how to manage and arrange these functions, from complete centralisation to devolved within the services – the table below shows the definitions for these cross-cutting functions.



Cross-Cutting	Definition	Does capability currently exist?
Performance	Metrics, Key Performance Indicators (KPIs), and information about the fulfilment of desired outcomes .	Y
Business Support	Administrative and clerical generic support to an activity, function or service .	Y
Risk Management	The forecasting and evaluation of risks together with the identification of procedures to avoid or minimise their impact.	Y
Programme Management	The discipline for delivering a project and programme within agreed resources.	Y
Business Change and Transformation	The discipline for delivering a change to the running of a particular activity, function or service.	Y
Service Desks	The first point of contact for all ‘user’ customers - front door .	Y
Growth and Commercial	The management of business development, profit planning and target setting.	Y
Account Management	The discipline for managing relationships with Business-to-Business (B2B) customers.	Y
Continuous Improvement	The discipline for delivering continuous improvements to processes on a day-to-day basis .	Y
Data Management	The processing, coordination and consolidation of data and information across a particular activity, function and / or service .	Y



### 1.5.1.8.2 Centralisation of cross-cutting functions

There are a number of choices on how and where to place the cross-cutting functions of Orbis. These choices are mapped on a 'centralisation scale' below.

De-centralised			Centralised	
1 – Do Nothing	2 – Share Methods and Tools	3 – Create a Virtual Team	4 – Align capability and capacity to a Service	5 – Centralise completely
<p><b>Repeated functions and capabilities with different approaches and methodologies</b></p> <p><i>Services continue to approach cross-cutting functions in their own way.</i></p>	<p><b>Recommended 'good practice' but not governed</b></p> <p><i>Services continue to approach cross-cutting functions in their own way, but there is a recommended approach for 'good practice'.</i></p>	<p><b>Champions and community to drive good practice</b></p> <p><i>Creation of a 'virtual team' or network to own the methods, tools and approach – keep it updated, recognise it as a profession across Orbis .</i></p>	<p><b>Continue, re-focus or invest in resources, existing team</b></p> <p><i>Pool the resources for a particular function and align it to a specific service area – where the capability is complimented or the approach and skill-set is more mature .</i></p>	<p><b>Continue, Re-focus or invest in resources, central team</b></p> <p><i>Pool the resources for a particular function and align it centrally – where something requires cross-service delivery, decision making and capacity .</i></p>

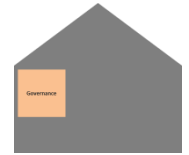
The placement of cross-cutting activity does not impact service lines in having an element of responsibility for it.

### Example placement using the centralisation scale:

Programme Management	1 – Do Nothing	2 – Share Methods and Tools	3 – Create a Virtual Team	4 – Align capability and capacity to a Service	5 – Centralise completely
	<p><i>All services have their own method and approach to managing programmes; there is no single view across Orbis.</i></p>	<p><i>There is a recommended toolset and approach for managing programmes across Orbis but no governed or single view.</i></p>	<p><i>A virtual team of practice has been set up to own the methods, collate a single view of programmes across Orbis [recommended].</i></p>	<p><i>All programme management capability has been removed from all Orbis services and placed in one, such as IT.</i></p>	<p><i>All programme management capability has been removed from all Orbis services and placed in a central team.</i></p>

Programme Management is unique in the different services and requires a specialist skill-set, therefore it is not recommended to centralise within a service, or completely. It is recommended that it is placed as a 'virtual team' with IT – the team has a mature capability and re-usable methods which Orbis and its customers can benefit from.

# 1.6. Governance



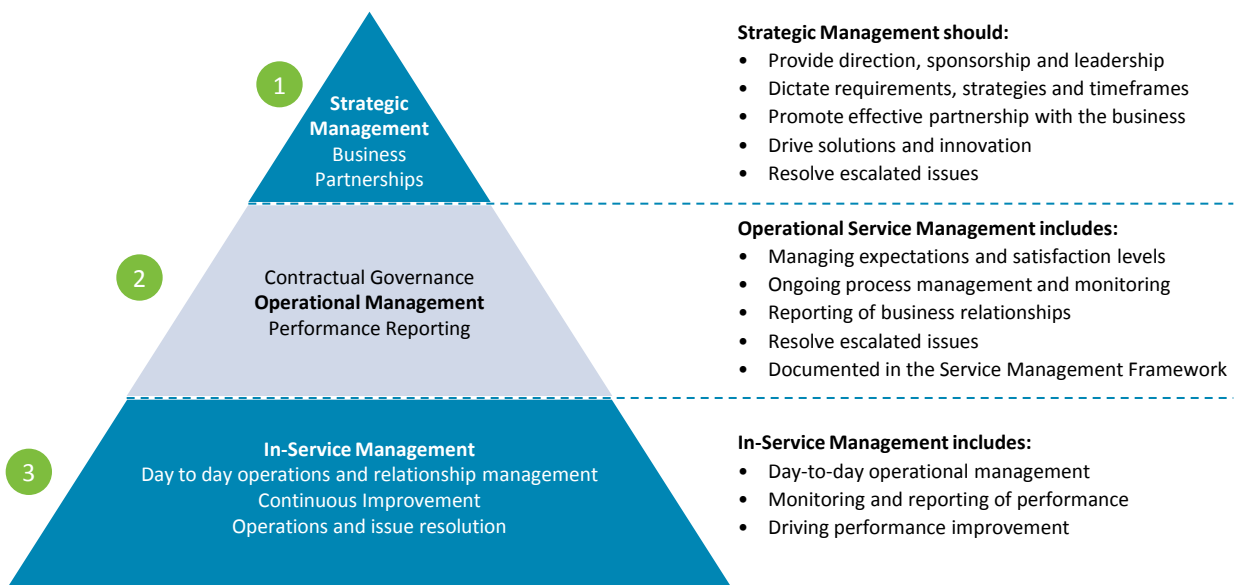
## 1.6.1 The Governance Framework

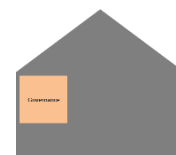
The establishment and mobilisation of a clear and effective governance structure is essential to the efficient running of Orbis. Good governance will drive confidence across Partners, enable rapid and robust decision making and set the overall direction for services. It is particularly important under the Joint Committee structure to understand the governance, controls and structures of the sovereignty.

### 1.6.1.1 How Orbis delivery will be governed

The 'Orbis Governance' relates to the functional structures required to enable the new operating model to work in practice. The proposed framework is intended to coordinate activities between services, through clearly defined escalation points and reporting routes.

The governance design presented is indicative and subject to an ongoing continuous improvement process that will review and evolve the model during the course of the Orbis programme mobilisation and transition to Orbis as an organisational entity.





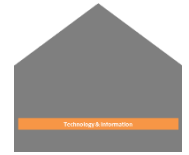
### 1.6.1.2 Sovereignty

Under the partnership structure there will be a number of areas which need to remain sovereign to the Partner organisations. It is essential that councils have the relevant amount of control over their core functions to deliver the priorities of Members.

For business services across the Partner organisations (i.e. Orbis), the overall decision making and accountability will be responsible within the sovereign organisations, the delivery and management of these services will be managed and governed within the Joint Committee structure of Orbis.

Activity	ESCC / SCC Sovereignty	Orbis	Example Scenarios
Budget Management and Strategy (S151 Accountability)	Decision making on the budgets within ESCC / SCC. Decision making on actions for overspending 151 accountability.	Budget monitoring and provision of advice on delivery of services within Budgets.	<i>E.g. If a department is overspending in either ESCC or SCC, Orbis would monitor the budget and provide information to ESCC or SCC in order for them to action within the dept. of the sovereign council.</i>
Orbis Service Strategy & Delivery	Setting direction and requirements for business services Oversight and governance against sovereign policy, management of Members.	Strategy development for how Orbis services can deliver against direction set by sovereign authorities Management of performance against sovereign requirements (portfolio plans).	<i>E.g. The portfolio plan written by either ESCC or SCC for business services requires 6 new schools to be built – Orbis would be responsible for managing the delivery of 6 new schools.</i>
Other departmental strategy	All aspects of development, management.	Provision of supportive services and information.	<i>E.g. A department strategy for ESCC / SCC will be developed by the sovereign authority. Orbis will be responsible for providing the department with supportive services as they deliver it and any advice needed to develop it.</i>
Corporate strategies	Set corporate strategy and define priorities.	Provide support services needed to deliver the corporate strategies of each council.	<i>E.g. A priority outcomes is to make the best use of resources, Orbis joint property and procurement services will ensure this outcome is delivered.</i>
Employee Terms and Conditions (T&Cs)	Setting and defining T&Cs for staff.	Managing staff to T&Cs, managing and delivering an HR process which complies with policies.	<i>E.g. ESCC or SCC undergo a pay review for all staff and decide to increase all salaries by 2%, Orbis will manage the employee T&amp;Cs for the sovereign authority inside and outside of Orbis as part of the HR function.</i>

# 1.7 Technology and Information



## 1.7.1 Technology and Information overview

As a key enabler of keeping Orbis up and running during the transition to future state, as well as supporting the transformative changes, Technology and Information must be harmonised to realise the full potential from business services. Before this can be done however, Orbis will first focus on the hygiene factors of providing shared working environments. This will be achieved by constructing a foundation upon which Orbis staff can collaborate. Prime examples of this collaboration include the ability for colleagues from different organisations to share calendar and email contact information, to be able to access critical applications, such as the current finance or HR case management systems from remote locations or simply to get access to files and information stored on a folder in another office. Once these hygiene factors have been addressed, further convergence of IT systems will enable further benefits for Orbis as the provision of services across Orbis is brought together.

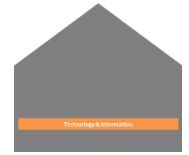
Solutions for Technology and Information can be classified by five enabling themes:

- An improvement in **self-sufficiency** which will empower both Orbis staff and customers.
- Increased **mobility**, allowing Orbis staff and customers to access Orbis technology and information from varied locations.
- **Collaboration** allowing Orbis staff and Customers to work together on common platforms, information and documents.
- Improved **Cost Efficiency** from the re-use of technologies across Orbis maximising the value of IT and Digital.

## 1.7.2 Technology and Information Design

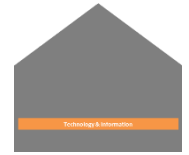
Within Orbis at present, each Partner has a separate and stand-alone IT environment, which provides the technology and information required to support each councils' services. These two environments, while similar in many ways, have been created to serve the specific needs of each council.

In order to achieve effective integration across Orbis, the supporting technologies used by each partner organisation also need to come together. This means there should appear to be a single, consistent user experience to anyone consuming technology and data across Orbis. This is reliant on first getting the IT hygiene factors, such as email, calendar and document sharing working across Orbis, before specific technologies and information to harmonise services' business capabilities are implemented.



There are two distinctly different ways in which technology and data enables Services to operate efficiently in this diagram. These are:

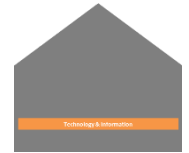
Business Services IT	Core IT Services
<p>Business Services IT refers to the provision of line of business IT solutions that solve specific needs within or across services. Here, the focus is on supporting the services in the operation of their functional areas, with the right technology and data for their individual needs.</p> <p>Cross-cutting technologies and data will also be used, especially in areas such as reporting and data management where the technology and data can be re-used across the enterprise by multiple services, for example the cross-pollination of finance data into the services to allow for better decision making support.</p> <p>Business Services IT represents the results of 'Areas of Search' within each service. The services will identify areas which they wish to focus on to harmonise their business capabilities and, in doing so, will require converged technologies and information.</p> <p>As Business Services IT is so dependent on the analysis of 'Areas of Search' for each service solution, cost and benefits cannot be fully predicted until such a time as the analysis is completed. This will require more effort.</p>	<p>Underpinning the support of services themselves is the foundation upon which all IT is built. This is referred to as the Core IT Services and includes the provision of common tools and environments upon which services depend to conduct their day-to-day operations.</p> <p>Core IT Services covers all of the Technology and Data building blocks any organisation needs to operate, from email to the provision of hardware to securing the IT estates. These IT environments are currently provided for the specific needs of each organisation. To enable collaboration between Orbis staff in each organisation these environments must converge.</p> <p>Core IT Services will provide the foundation upon which these technologies are delivered, such as the networks, security, web servers and email. Core IT Services will also address the themes of customer enablement, mobility, collaboration and cost efficiency through targeted, cross-cutting projects that will build a foundation upon which Orbis technology solutions can be delivered.</p> <p>This includes interoperability between major technology assets, such as email and calendar, making critical applications used across all services available from any location, giving access to file shares and network resources across all Orbis IT environments; and ensuring user accounts can be managed across Orbis.</p>



The convergence of both Business Services IT and Core IT Services seeks to improve the efficiency of the provision of services across Orbis by focusing on the changing expectations of Orbis Customers, who increasingly demand a service that is available whenever and wherever they need. Meeting these changing expectations not only empowers Orbis Customers but also creates efficiencies for Orbis service staff who can spend more time on higher-value activities.

Both organisations currently use the SAP Enterprise Resource Planning system to varying degrees to deliver corporate services. Further investment would be required by East Sussex County Council to reduce manual processes and address usability and reporting issues. Surrey County Council could also benefit from a converged platform to satisfy demand around usability, decision support, and changing workplace needs.

An initial piece of work to establish the 'case for change' concluded that 'doing nothing' is not an option. Consequently, the decision to stay with SAP in a converged form, or to move to another system will be addressed by the Business Solutions Platform (BSP) programme. This programme will run in parallel to Orbis, but will also have an impact outside of Orbis. Therefore, it will have its own set of benefits outlined in a separate business case. Interdependencies between the Business Solutions Platform and Orbis programmes will be managed by those responsible for the delivery of each programme; for example, decisions affecting the IT landscape for both programmes will pass through the same Architecture Design Authority.

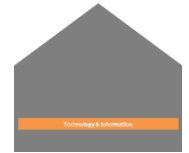


### 1.7.3 Themes for the provision of Technology and Information

Across both Business Services IT and Core IT Services there are five different themes that will address changes in demand from technology and data by enabling technologies and data to realise future service design. The following themes are relevant across services, and show where effort is required to ensure that the customer experience across Orbis is rich, insightful and engaging:

Theme	Description	Results
<b>Self-Sufficiency</b> 	Self-sufficiency refers to Customers being empowered, going beyond self-service in a traditional sense. It aims to provide not only the ability for the Customer to serve themselves but to do so when and where they choose, without having to wait for heavy process to deliver results to them.	<ul style="list-style-type: none"> <li>Ability for managers in front-line services to provide their own performance appraisals rather than have this function performed through a centralised HR contact.</li> </ul>
<b>Mobility</b> 	Mobility generally means the convenience to access services from any location, not just from home but from outside traditional networks as well. It needs Customers to be able to access services across different devices from different locations and makes use of correct channel management to do so.	<ul style="list-style-type: none"> <li>Common approach to delivery for Customers leveraging the best Mobility strategies of ESCC and SCC (e.g. Agile and Modern Worker programmes).</li> </ul>
<b>Collaboration</b> 	The ability to work together across boundaries is what is meant in basic terms by collaboration. In the context of Orbis this extends to the ability to share documents, information and data across the different networks that make up the IT landscape of the Orbis Partners as well as the ability to share knowledge and expertise as well.	<ul style="list-style-type: none"> <li>Technologies that enable virtual teaming and knowledge sharing. There are various applications already in use (e.g. Huddle and SharePoint) that allow Orbis staff to work on the same documents.</li> </ul>
<b>Cost Efficiency</b> 	Cost efficiency in simple terms refers to getting the most value out of technology and data. The combined purchasing power of Orbis and the opportunities for re-use of technology across Orbis give the ability to maximise value from IT systems currently in use and from IT systems that need to be procured.	<ul style="list-style-type: none"> <li>Use of a common email platform that will be standardised across Orbis.</li> <li>Provision of administration systems for HR that will allow more generic teams to fulfil the need, freeing up more skilled workers for advisory roles.</li> </ul>
<b>Digital</b> 	The Digital theme refers to the use of modern transformational methods create technologies and information to engage Customers in more compelling, accessible and automated ways. This enriches the customer experience of the services they require from Orbis and creates a desire for more engagement.	<ul style="list-style-type: none"> <li>Use of a single customer landing page which aggregates access to activities they may wish to conduct across all services and presents them in an easy to use, engaging and compelling manner.</li> </ul>





The HR pilot process has highlighted these five themes, but has also shown the need for enabling technologies that span across all Orbis services to allow the services to modernise their business capabilities and provide a richer customer experience that embraces customer empowerment, mobility, collaboration and cost efficiency. These technologies will be deployed across Orbis and will then be configured on a service-by-service basis according to the specific needs of each service. Not only will this be cost-efficient IT for the services, but also provide a consistency to ensure that our Customers experience a similar high level of service across Orbis.

These enabling technologies are:

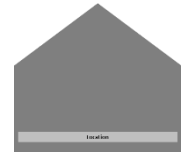
Enabling Technologies across Orbis	Description	Self-Sufficiency	Mobility	Collaboration	Cost efficiency
<b>Business Operations Management</b>	This set of enabling technologies refers to those tools and systems that can be used to allow information to flow around the organisation more freely and to be accessed in more varied means.	Green	Green	Green	Light Blue
<b>Business Intelligence, Analytics and Reporting</b>	Allowing the right data to be accessible in the right place at the right time is the aim of this set of enabling technologies.	Green	Green	Light Blue	Green
<b>Knowledge Management and Search</b>	Technologies that allow knowledge and subject matter expertise to be shared around the organisation in a context specific manner	Green	Light Blue	Green	Light Blue
<b>Enterprise Applications Integration</b>	The ability to physically move data between systems across the Orbis Partners using technological means such as Application Programming Interfaces and 'Message Bus' solutions.	Light Blue	Green	Green	Green
<b>Enterprise Data Management</b>	Managing data across multiple systems and multiple organisations, this set of technologies aims to re-use both structured and non-structured data in an efficient manner.	Light Blue	Light Blue	Green	Green



**The HR Centres of Expertise**  
Enterprise-wide enabling technologies will help harmonise the business capabilities of each Service through the analysis of 'Areas of Search'. This analysis will determine how best to implement the enabling technologies for each service, for example the implementation of an HR dashboard for staff to feed into their own performance appraisals, showing how well they are doing and enabling their lessons learnt to be visible across the organisation.

'Areas of Search' are priority areas where the greatest perceived benefits will be realised through process improvement and reduction of duplication. E.g. HR Advisory Processes to be redesigned to leverage best practices, and reduce the amount of time HR professionals spend supporting managers.

# 1.8 Location



## 1.8.1 Overview

The location of Orbis services will be based on the real estate currently available across both councils, as well as any locality based requirements. There is an opportunity to co-locate services, which would help reduce operating costs by consolidating activity from multiple sites across the two councils. Co-location of services could also lead to reduced IT management costs, and could provide scale and capacity for future growth.

Most services are flexible and could be based anywhere, when supported by the right enabling technology. There are however some cases where certain roles require specific local expertise, and will therefore need to remain in certain locations (e.g. relationships with local Business Partners).

There are some services which may benefit from being regionally based, such as Business Operations. Work has taken place to create the capacity to locate necessary parts of these services together now. This will help align strategies, remove duplication of roles and align a consistent management structure which will set the service up for success.

When determining if / and how services will be relocated, some questions and implications we will need to consider:

- How would co-location affect our services?
- What is the cost involved in co-location, and is there an opportunity for additional savings to be realised?
- How many different sites do we have available in the Orbis partnership?
- How would our staff and customers be impacted?
- Do we want to retain jobs locally for each partner?

We have just begun to initiate detailed design for future service delivery, which is a key dependency in determining location requirements. We will conduct a more in-depth analysis on the costs, benefits and risk associated with this approach, once we have a better idea of how each service will be delivered in the future.

*HR Proof of Concept*

### The Agile Workforce of the Future

The roles within the top three tiers of management have been designed to have location considerations, balancing the need to have HR personnel where the Customers need them with the most cost effective solution. Therefore, a small number of roles have been specifically placed within a location of each Partner organisation, but the majority can be co-located or based anywhere within the Orbis property portfolio – enabling a flexible and resilient workforce.

# 1.9 Processes and Transactions



## 1.9.1 Overview

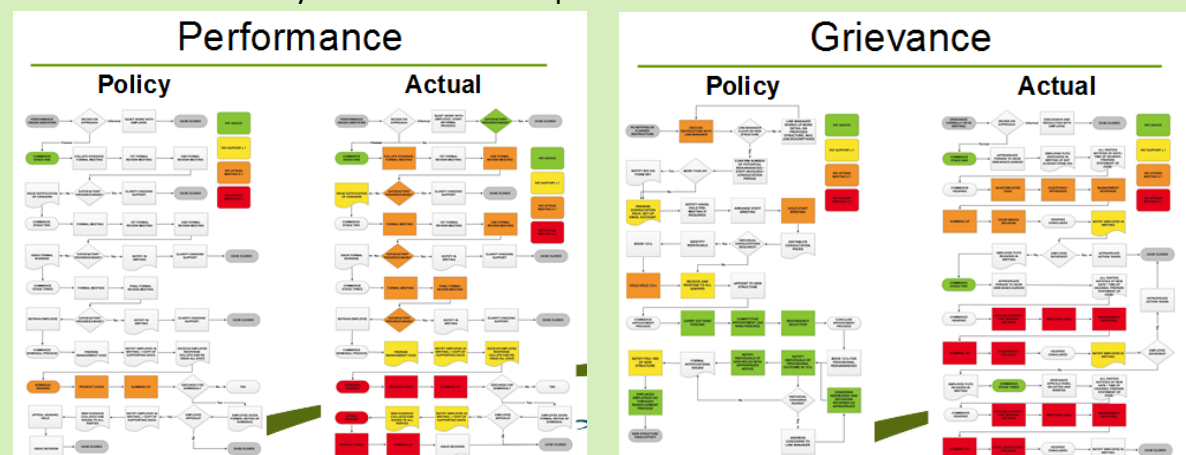
The processes and transactions will be a key part of the detailed design of Orbis. It will be fundamental to converging services while also enabling best value for the Customer and for money. For all services, other than the HR pilot project, this will be covered in the next phases of design, led by the future service leadership teams.

### Simplifying processes in HR

For HR we are trying to simplify processes, and identify areas within HR where we can reduce our level of support and enable managers to become more self sufficient. When the model is implemented well it will achieve greater consistency in the levels of HR compliance across the partnership, enhance the speed of service delivery and provide Customers with greater clarity through timely access to the support and information they need.

*HR Proof of Concept*

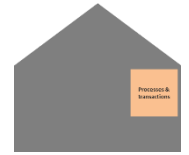
The illustration below demonstrates an example of some of the detailed workings carried out to understand the current processes – what is expected from a statutory perspective and what happens in practice. This work has enabled us to determine the current practice and how they vary, both from established policies, as well as minimum legislative requirements. This criteria has allowed a forecast of the level of efficiencies that could be realised if the manager was equipped, supported and therefore empowered to deliver against an agreed policy in a self-sufficient way. The ‘actual’ involvement from HR, shows high amounts of reliance on HR hand holding, which can delay procedures, increase costs and cause unnecessary ‘clunkiness’ in the process.



Illustrative purposes only – please ignore text

**Key:**

- Telephone support
- Face-to-face (pre-meet)
- Face-to-face (formal meeting)
- Face-to-face 2 HR personnel
- Manager self sufficiency (intranet)



**(Continued)**

As well as this working to check resource effort against Statutory Policy, some internal Partner benchmarks were taken. This benchmarking exercise allowed us to gather an informed current state and to understand the levels of change required between the two Partner organisations in order to reach an efficient, effective integrated state. Through this internal benchmarking work, we have been able to assess performance across the partnership, identifying what is working well and which areas could be improved. This has been an important exercise in determining best parts of both of the HR service models within the current Partner organisations. The aim is to leverage these best practices in the future state design.

We have also compared this data to industry benchmarks – to allow us to have a HR service design which is viable in the market.

**Key Observations**

- The cost of the HR Advisory function is 20% higher in Surrey than East Sussex.
- East Sussex support 40% more customers than Surrey with the same level of resources.
- Cases are managed on average 45% faster to a successful resolution in East Sussex than in Surrey.
- There is a need to improve the quality and availability of timely information management.

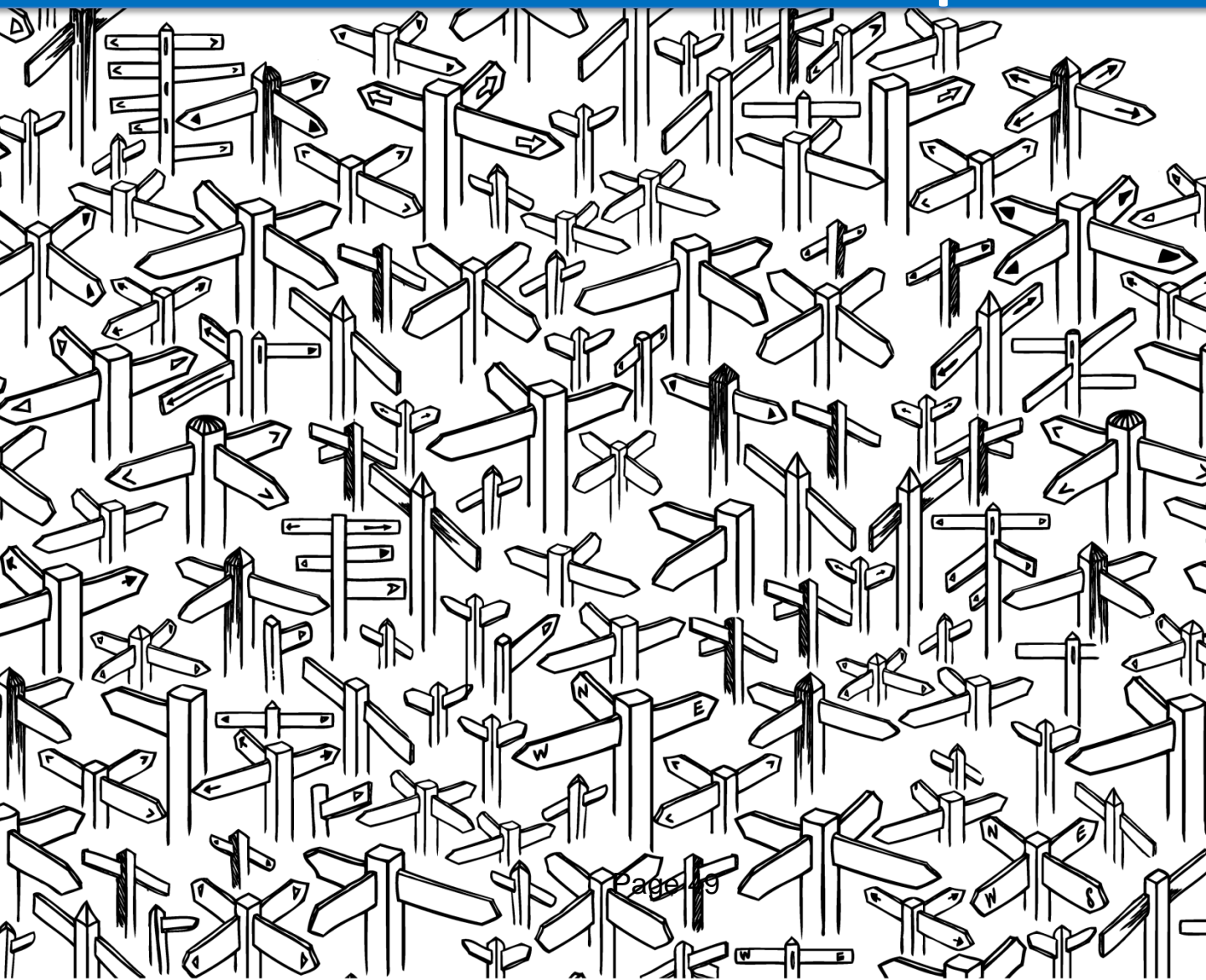
The table below highlights on a like to like basis, a significantly higher cost per employee for HR service delivered in Surrey compared to East Sussex.

Item	East Sussex	Surrey
Total HR staffing cost per customer (rounded to nearest £)	Staffing = £1,839, 000  Customers = 15,505 (including schools and academies)  £118	Staffing = £3,223,000  Customers = 11,024  £292

# Section 2

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## The Three Year Roadmap



## 2.1 The Journey so Far

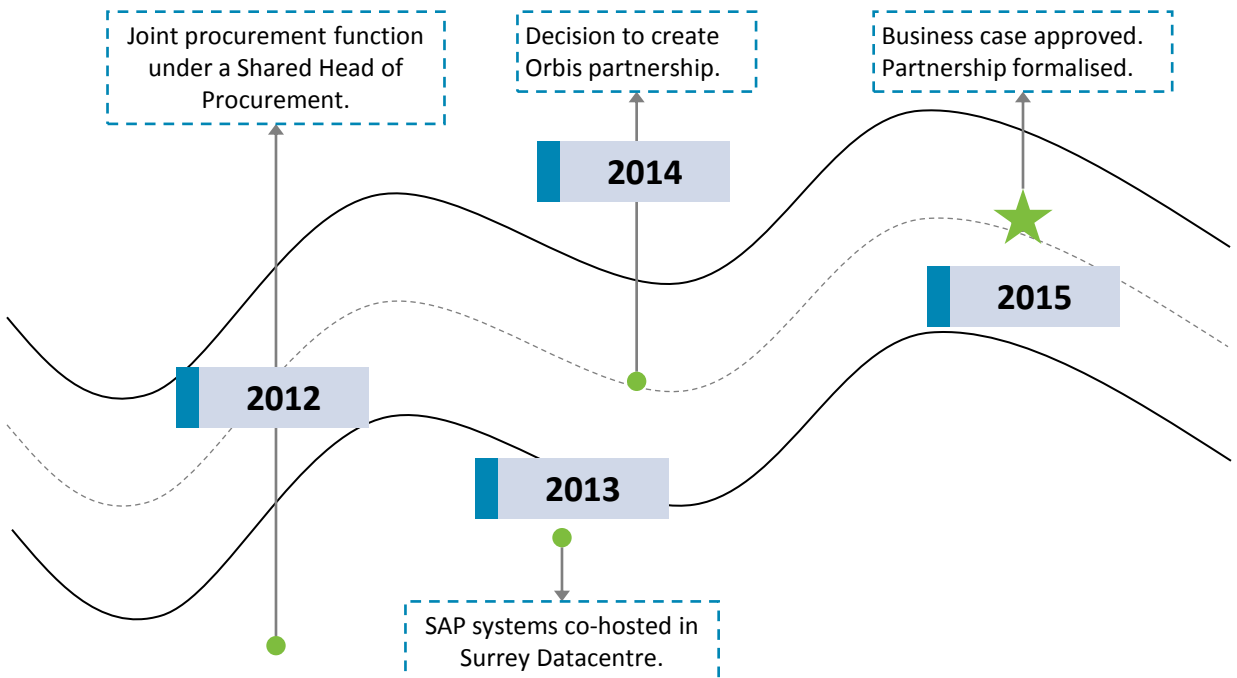
### 2.1.1 Overview

We have been working together since 2012 to improve the way we deliver services to our Customers and Partners, starting with a shared Procurement function. We are proud of our accomplishments thus far, and have great ambition for what lies ahead. The following section outlines key milestones and our future plans for development of the partnership over the next three years.

### 2.1.2 The Journey so far

Since the partnership officially launched in April 2015, Orbis has successfully initiated a programme of change. The first phase of this programme has been focused around establishing the vision for change and the initial elements of the Target Operating Model / TOM (See Section 1.1.1 for more detail).

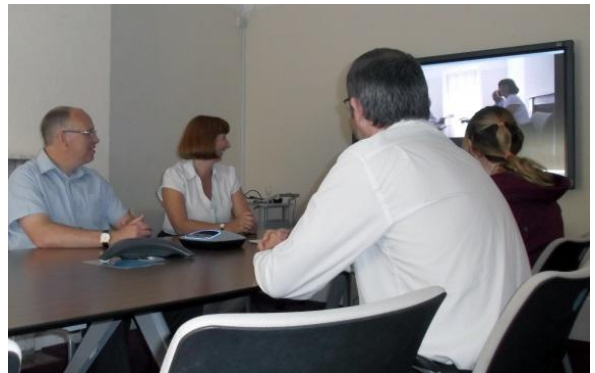
The second phase will be to develop and align a series of focused programmes around people, processes and technology to support integration of each service, reduce duplication, and enhance service efficiency.



### 2.1.3 We have been leading change through our EPIC people

The change for people and culture has been initiated through various communication and engagement campaigns, such as the formation of the EPIC Champions network, and the co-creation of the Orbis behaviours (See section 1.3.6)

Through the collaborative co-design, which was outlined in Section 1 of this business plan, significant staff engagement and involvement has already begun to take place.



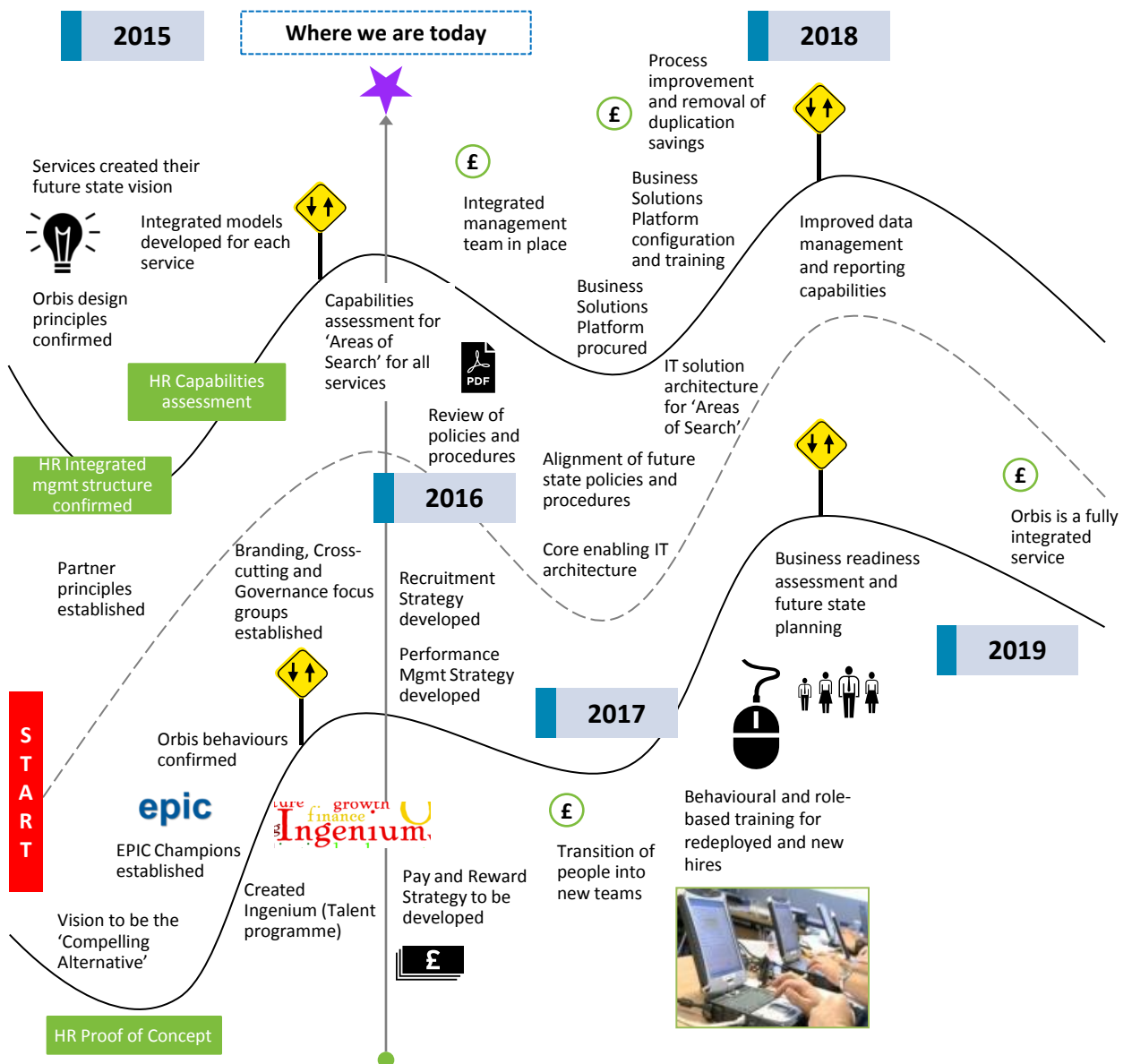
**Orbis Design Working Groups**

The work on the Target Operating Model / TOM (Section 1 of this business plan) has helped to advance the thinking around the vision and culture of Orbis. For the past few months, each service has worked together to build on the initial design work for the TOM, and to envision how their integrated service may look and feel in the future. The integration of management teams will be the first major change programme activity, and will result in significant savings for the partnership.

The next phase of the programme will be focused on the detailed design of the TOM and business integration. The Orbis change programme will be the mechanism to move the services from their current to the future states set out in the TOM. The change programme is a significant undertaking and will be delivered over a three year period. The expected phasing of activity is shown in the high-level change roadmap.

## 2.2 The 3 Year Roadmap

We have strong ambition to build a better service for our Customers and create an 'EPIC' work place, however the journey to get to this future state is significant, and will require time and investment. The Roadmap for Change sets out the activities required to transition services from their current to future state over a three year period.

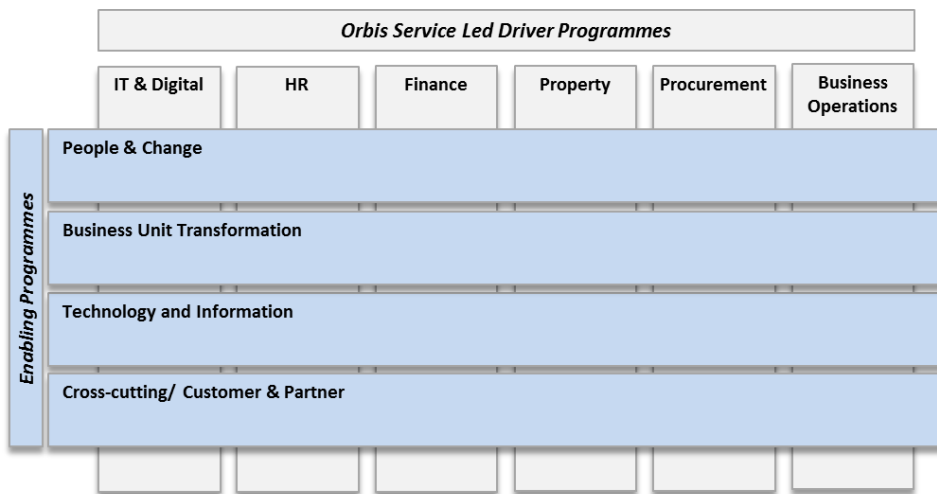




### 2.3.1 Change and Transition

Separate programmes which are either service specific (**driver programmes**) or cross-cutting across all areas (**enabling programmes**) will be used to transition services from their current to future state.

Each programme will involve a range of projects and workstreams which together deliver the changes and outcomes required to enable the required benefits. The approaches between programmes will also change depending on the timeline for delivery, availability of resource, technology requirements and location dependencies.



Driver Programmes	Enabling Programmes
<p><b>Driver programmes</b> will be responsible for the detailed design and implementation of the future state service, including business units / functions, people, process, and system requirements.</p> <p>These programmes will be led by each service, supported by enabling programmes.</p> <p>Resources to support each programme will be determined by each service.</p>	<p><b>Enabling programmes</b> will work across the driver programmes to support people and system requirements, and to facilitate business change across services.</p> <p>Initially 4 Enabling programmes are recommended:</p> <ol style="list-style-type: none"> <li><b>1) People and Change</b> This programme will create the necessary culture within Orbis and set out the HR infrastructure necessary for services to complete the people element of their driver programmes.</li> <li><b>2) Business Unit Transformation</b> Working with IT to capture and develop business requirements and ensuring business as usual activities are maintained.</li> <li><b>3) Technology and Information</b> Implementation of enabling IT platforms which will underpin the changes needed by services.</li> <li><b>4) Cross-cutting / Customer and Partner</b> Delivering Orbis-level design and growth of Orbis itself</li> </ol>

### 2.3.2 The approach for service led business change

Business change and transition will be delivered in a phased approach over a three year period. Each service will have a separate journey moving towards an integrated service by 2019.

The phasing of change activities will vary by service depending on business readiness, technology requirements and resource capacity.

At this point in time, each service is in the process of confirming their integrated operating model, integrated management structure and 'Areas of Search' (these are priority areas where the greatest perceived benefits can be realised from integration). Over the next few months, each service will determine where business improvement can be made and how savings can be delivered.

### 2.3.3 HR pilot

HR has already identified seven 'Areas of Search', which have been analysed in detail to determine if savings could be realised. The pilot provided confidence that savings could be achieved by improving processes, and creating a more digitally enabled service. The aim for the future service is to achieve these savings, while also improving the customer experience.

**HR Proof of Concept**

The approach taken by HR to design their Target Operating Model components was successful in developing a proof of concept, which the other five service areas can adopt as they begin detailed design. The pilot process gave the opportunity for enhancement and lessons learned so that it can be improved, adapted and rolled out to the other services to assist them with uncovering areas of potential savings and income generation.

### 2.3.4 Phasing approach

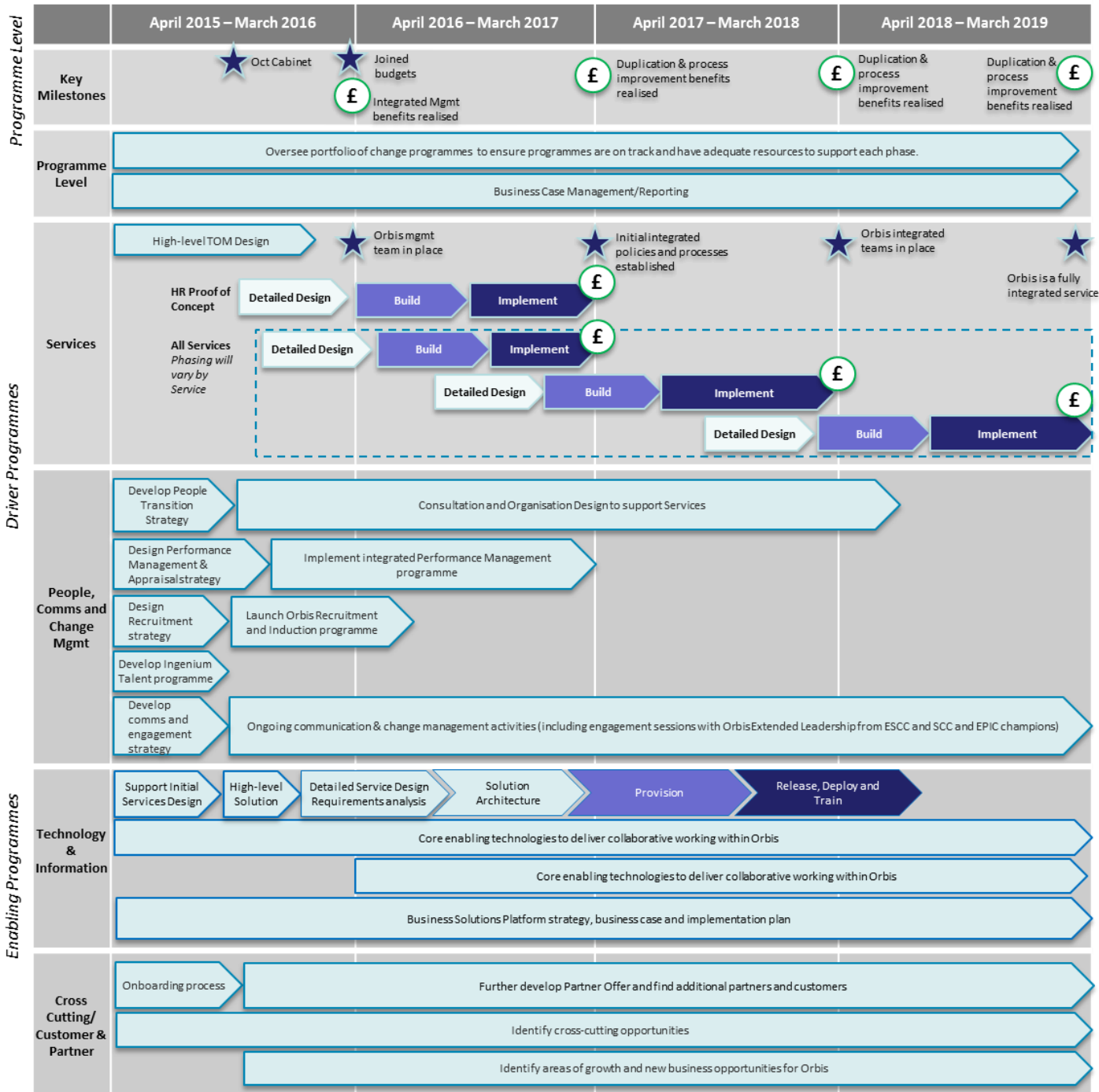
Change initiatives will be broken out by programme and project, and will run simultaneously in order to keep pace. At a high-level change activities will be grouped as 1) 'Design' 2) 'Build' and 3) 'Implement'. There will be different phases of each over the three year business plan, and some activities will run concurrently. The services will lead service design, build and implementation activities, with their people delivering and managing the change. Enabling programmes such as Technology and Information and People and Change Management will support each phase, specifically 'Build and Implement'.



## 2.3 How it will be delivered

### 2.3.5 Programme Delivery

The programme plan below is a high level view of the programme activities which will deliver the three year roadmap.



### 2.3.6 Programme resources

In order to maintain momentum, and keep pace and scale, it is important that the right resources be engaged to mobilise the next phase of the programme. A level of investment is required to maintain the current programme team for the next critical phase of detailed service design. The proposed cost for resourcing the required teams to support a change and transition programme of this scale and duration has been estimated at a total cost of £2.1m. The proposed resourcing mix is based on the following principles and considerations.

#### Key principles of resourcing are:

##### 1. The right people and right mix

- Governance, operational experience, programme / project delivery, analysts.
- People who can deliver sustainable change.

##### 2. The right resourcing schedule

- Resources will ramp up and down over time.
- Internal resource supply should not jeopardise business performance.
- External support can be used to deliver specific capacity, capability or experience.

##### 3. Selection should be about capability, not just availability

- Extract our best resources from business-as-usual (BAU) activity – recruit if we do not have the skills required.

#### Key considerations when determining resources for Orbis:

- **Access to the right capabilities and expertise** – Not having the right technical expertise and capabilities to get the job done may lead to project slippage.
- **Conflicting priorities** – Internal staff have existing BAU priorities that may influence the time they can commit to projects.
- **Owning the change** – In order for change to be successful, it is important to have a good mix of internal staff owning and driving change programmes.

# Section 3

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## Benefits Case



## 3.1 Benefits Case

### 3.1.1 Overview

The benefits from establishing a shared service invariably relate to the consolidation of activities and services delivered by the two partners, and the resulting resilience and efficiencies that can be gained. Integration of this scale could deliver financial and non-financial benefits, and both are fundamental to the success of the Orbis partnership.

### 3.1.2 Benefit types

There are four key benefit types that could deliver financial savings:

**Management De-layering:** This will be achieved by integrating the management of each service and reducing, where appropriate, the layers of managerial hierarchy.

**Process Improvement:** Making processes more efficient and effective through use of more standardised, streamlined processes. The scale of Orbis also provides opportunity to maintain specialisms in specific areas. These can often be technology enabled to offer automation and user self-sufficiency.

**Removal of Duplication:** Where activity is common across the two organisations, there is potential benefit through economies of scales and scope to remove duplicated effort. Care needs to be taken to ensure that the needs of the individual authorities are still met from a common approach (e.g. through tailoring specific activities where needed).

**Growth:** This is the additional income that the services within Orbis have forecast can be achieved for inclusion in the Business Plan – this is key for Orbis as it expands its external customer base. Further opportunities for growth are expected through the partnership, although a prudent approach has been taken and these further benefits not included in the business benefits at this stage.

### 3.1.3 Non-financial benefits

Non-financial benefits are expected to be generated for the two councils as improved processes, systems, and management information will provide better insight for decision making and identify where attention could be provided to improve value for money.



#### EPIC People

- Orbis will capture a change in working for its people – these people are our biggest asset. This is why we have harnessed their talent as we design how we work in the future – they will co-design our future services.
- Staff engagement and motivation to be part of a **innovative, knowledge-led organisation** which places emphasis on the **development of talent**. We place significant emphasis on developing this and have launched Ingenium, our high performer talent programme.
- Together, we have improved operational resilience as greater **depth and breadth of skills** exist across both councils.

### Integrated Services

- We have integrated management structures to **enable strong, single accountability.**
- We have identified early opportunities to create **scale, financial efficiencies and pool talent and expertise** to deliver excellent quality for our Customers.

### Customer Experience

- Our vision and design principles are centred around **improving and sustaining the services** that we provide to our Customers and Partners.
- We have developed an approach for service delivery that will **improve accessibility of services** and empower Customers transform to an **agile way of working**, through channel re-design.

#### 3.1.4 Financial case

To support the implementation of the Orbis partnership the financial plan has been developed and builds on the outline business case presented to Cabinet in February 2015. This case identified potential savings of £6m - £8m (10%-15%) against a 2014/15 baseline. Corresponding investment costs of £6m - £10m were identified to support the implementation, and delivery of these expected savings over a three year period.

The baseline has been refreshed and updated for the 2015/16 budgets and detailed work has been completed to ensure consistency between both councils and provide an agreed foundation to enable the design of services for the future.

Design of the Target Operating Model (TOM) for each of the services has enabled the benefits to be refined further and provided greater confidence about where the principal benefits can be realised. Working with the technology teams across both councils has also enabled further refinement of these investment costs. There is still further work required to confirm the benefits and associated costs and this will be completed in the next phase.

#### 3.1.5 Baseline

The partnership have refreshed the baseline operating budget which has been used as the basis for the benefit targets. This baseline is indicative of the activities that will be undertaken by the partnership on behalf of each council and determines the expected budget contribution required. This provisional budget includes some activities that are undertaken by one council only, which is noted as 'single activity' in the table on page 48.

Activity Type	Description	ESCC	SCC	Total
<b>Common Activity</b>	This relates to categories of activity that common to both the Founding Partner organisations	£21.3m	£42.1m	£63.4m
<b>Single Activity</b>	This is activity that is unique to one of the Founding Partners.	£0.3m	£1.1m	£1.4m
<b>Total in Scope</b>	Total of the 'Common Activity' and 'Single Activity'	£21.6m	£43.2m	£64.8m

The baseline confirms that the contribution ratio for the founding partners remains at broadly 1/3: 2/3 as noted in the outline business case. The due-diligence required to ensure that baseline accords with the agreed principles will be further developed and captured in the Inter-Authority Agreement (IAA) and will be used as a basis for sharing future costs and benefits.

### 3.1.6 Financial benefits

There are clear financial benefits to be delivered from integrating Services across Orbis. Initially these will be delivered from management de-layering and removal of duplication, as services integrate, but longer term we will see greater benefits from detailed process improvement and technology enablement.

The initial business case stated that the partnership would achieve financial savings of £6m-£8m over a three year period. These benefits are net of repayment of the investment required to achieve them. We are confident that the upper end of this range can be achieved and a total savings of at least 12% against the 2015/16 baseline budget can be delivered by year three of the business plan.

At a high-level the projected financial benefits expected from now until 2019 are summarised in the table below. An approach for managing these benefits is currently being developed.

Overall Benefits	16/17	17/18	18/19	Total
<b>Additional £m delivered each year</b>	<b>£1.2m</b>	<b>£2.9m</b>	<b>£4.2m</b>	<b>£8.3m</b>
<b>ESCC £m delivered each year</b>	£0.4m	£1.0m	£1.4m	£2.8m
<b>SCC £m delivered each year</b>	£0.8m	£2.0m	£2.8m	£5.5m
<b>Total % Incremental saving against 15/16 baseline</b>	<b>1.8%</b>	<b>4.5%</b>	<b>6.5%</b>	<b>12.8%</b>



### 3.1.6 Financial benefits (continued)

The business plan has been developed over a three year period, with efficiencies identified over this timeframe. However, Orbis is expected to yield greater efficiencies in years four and five, yet to be identified, as we grow by bringing on additional partners.

To develop a more detailed benefits case, each service has developed 'Areas of Search' to provide focus for where the largest benefits are expected. These will be used as a starting point during the next phase of work to define a set of simplified, standardised and harmonised processes, and a more accurate benefit estimate.

## 3.2 Investment Required

### 3.2.1 Implementation Costs

Implementation costs have also been reviewed to incorporate updated estimates based on further IT design definition and a potential programme delivery team to support implementation. High level estimates show implementation costs of c. £7m to deliver the three year business plan, excluding the cost of changes to the Business Solutions Platform.

Cost Category	Description	Indicative costs £m
IT Costs <sup>1</sup>	This includes the cost of: <ul style="list-style-type: none"> <li>• <b>Core IT systems</b> to enable operations across the two organisations.</li> <li>• <b>Business Line specific</b> applications to enable the new processes in each service.</li> </ul>	£3.5m
Programme Costs	<ul style="list-style-type: none"> <li>• This includes the costs of programme team resources for the three year business plan to benefit all services. Costs are dependent on the speed of design and implementation, along with the level of complexity to move to the new way of operating.</li> <li>• Costs incurred for the benefit of an individual service are borne by that Service and not included here.</li> </ul>	£2.1m
Contingency	This is a 10% contingency on IT costs to reflect a level of uncertainty and risk associated with implementation.	£350k
Sub-Total		<b>£6.0m</b>
Reorganisation - Redundancy Costs	This includes an estimate for the redundancy costs associated with the programme. The total will be dependent on the remuneration and length of service of individuals that leave the organisation. Natural attrition and not filling vacancies is expected to mitigate increases to this figure.	£1.0m
Total Investment		<b>£7.0m</b>

<sup>1</sup> Excluding Business Solutions Platform

### Business Solutions Platform

Both organisations are using the same Enterprise Resource Planning system (SAP) and have confirmed that this needs to be reviewed to align systems and provide further benefits and flexibilities. A separate business case will be developed for Cabinet review and approval.

### 3.2.2 Phasing of implementation costs

A high level indicative phasing of the costs has been applied over the life of the business plan.

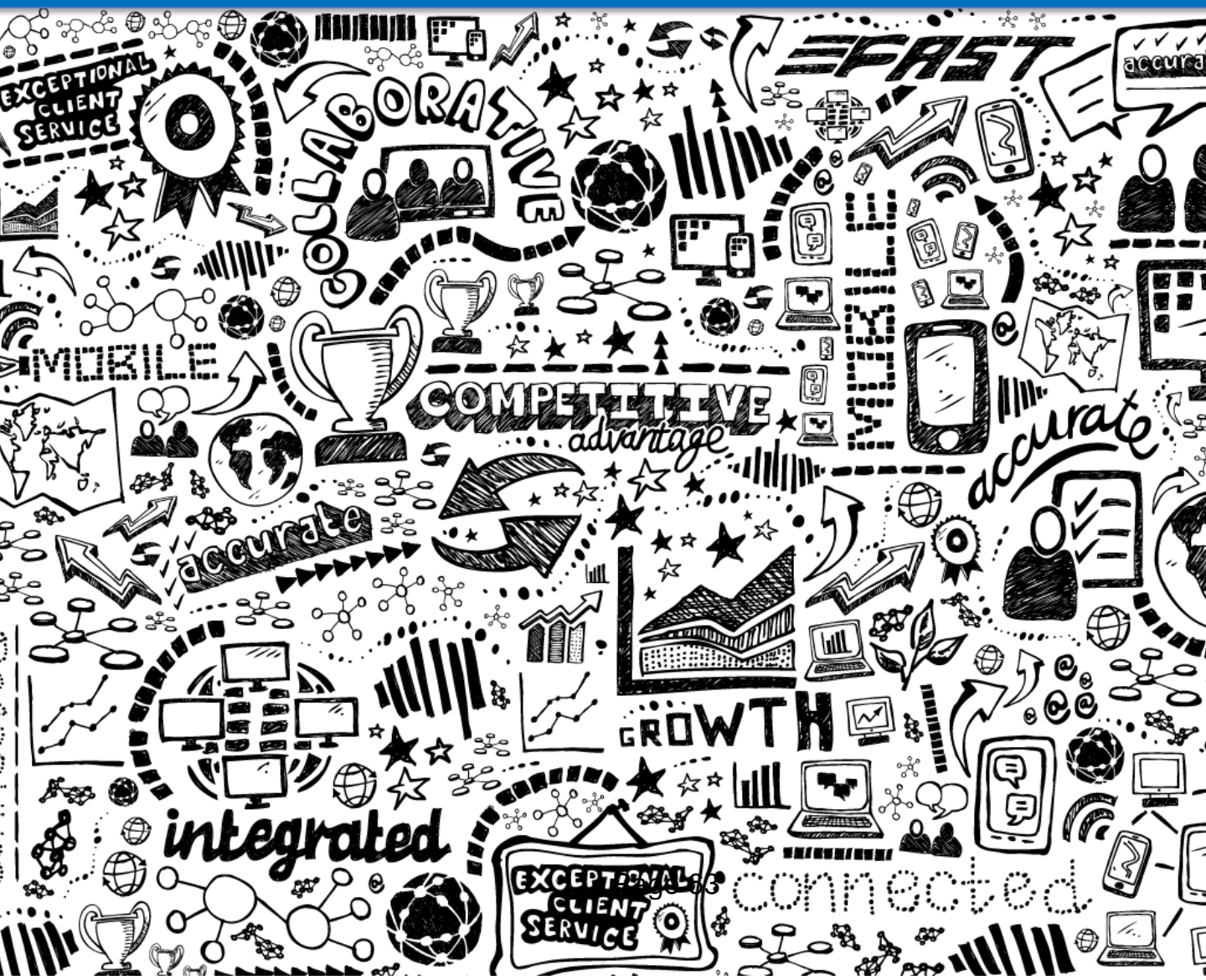
Costs	16/17	17/18	18/19	Total
£m	£4.2m <sup>2</sup>	£2.1m	£0.7m	<b>£7.0m</b>

<sup>2</sup> Dependent upon speed of delivery, of this total, up to £1.3m maybe incurred prior to 1 April 2016

# Section 4

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## Risks



## 4 Risks

In addition to the benefits Orbis delivers to both Councils, and the additional opportunities for growth, we need to recognise the potential risks. By providing key stakeholders with visibility and clarity about the risks of the partnership, there is the opportunity to understand and appreciate the impact that this could entail, and mitigation action that needs to be put in place.

The following table lists key risks in relation to the creation and running of the partnership. An exhaustive list of risks will be maintained and monitored as part of the ongoing Orbis Governance process. This process will put in place the steps to mitigate risks as early as possible according to the mitigating actions set out in the table below.

Type	Risk	Description & Implication	Mitigation
Strategic	<ul style="list-style-type: none"> <li>Changes in the business strategies of Orbis Founding Partners approach to share operations, affecting the ability for Orbis to deliver Services.</li> </ul>	<ul style="list-style-type: none"> <li>There is the possibility that if Partnership Strategies of the Founding Partners diverge, significant changes to the operating model of Orbis will be required in order to avert undermining operations of Orbis.</li> <li>If Partnership Strategies are aligned with other authorities, choices in how Orbis strategies are implemented may be limited.</li> <li>If the structure or function of either Orbis Founding Partner changes, there will be wide-ranging impacts on the Orbis model.</li> </ul>	<ul style="list-style-type: none"> <li>A Joint Committee structure has been agreed, which ensures that all Partners have oversight on the running of Orbis.</li> <li>Orbis Leadership will be visible to the sovereign authorities to present impact of sovereign decisions on Orbis and to action those decisions.</li> <li>A clear defined exit strategy for Orbis partners is being developed by Orbis Leadership as part of the Inter-Authority Agreement (IAA).</li> </ul>
	<ul style="list-style-type: none"> <li>Changes from an integrated model (e.g. the finance function of one partner leaving Orbis) will introduce significant complexity, cost and time.</li> </ul>	<ul style="list-style-type: none"> <li>Integration of the Partners will add increased complexity to any dissolution (e.g. significant roles may be completed by individuals employed by one authority, joint budgets may not allow a clear delineation between activity in one authority or the other).</li> </ul>	<ul style="list-style-type: none"> <li>Both Partners enter into the arrangement on an indefinite basis.</li> <li>Exit strategy and implications to be developed as part of IAA.</li> </ul>
	<ul style="list-style-type: none"> <li>The Inter-Authority Agreement (IAA) has not yet been signed.</li> </ul>	<ul style="list-style-type: none"> <li>The official agreement between Orbis Founding Partners has yet to be signed meaning that the commitment to Orbis has not been formalised by either Orbis Founding Partner.</li> </ul>	<ul style="list-style-type: none"> <li>The IAA will be signed using delegated authority as soon as possible.</li> </ul>

## 4 Risks

Type	Risk	Description & Implication	Mitigation
Financial	<ul style="list-style-type: none"> <li>Changes in the expected investment costs and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Orbis may not achieve the identified financial targets either through delayed benefit realisation or increased investment costs.</li> <li>Delays or overruns could lead to unexpected increases in investment cost or delays in benefit realisation.</li> </ul>	<ul style="list-style-type: none"> <li>A clearly defined benefits management process is to be set up to enable the rapid identification of benefits which are unlikely to be realised and which mitigating actions are to be taken.</li> <li>Investment costs will be forecast and tracked against those forecasts to allow timely decision.</li> <li>Programme management will track both benefits and investment and report regularly by Orbis to the Joint Committee.</li> </ul>
	<ul style="list-style-type: none"> <li>The cost of exiting the Orbis partnership is expected to be significant.</li> </ul>	<ul style="list-style-type: none"> <li>The costs of a Partner leaving Orbis is expected to be high and not necessarily limited to one Partner.</li> <li>The untangling of any IT systems implemented for Orbis will have significant cost upon exit of a Partner, e.g. a platform for data analytics will likely have to be reconfigured and relocated at cost to the remaining Partner(s).</li> </ul>	<ul style="list-style-type: none"> <li>Exit strategy and implications to be developed as part of IAA.</li> <li>The business case for any technology and information project initiated for Orbis will consider the implications for Partners leaving Orbis.</li> </ul>
Operational	<ul style="list-style-type: none"> <li>The implementation of the integrated Orbis model will involve a high degree of change and has the potential to impact Business-As-Usual services.</li> </ul>	<ul style="list-style-type: none"> <li>Changes will be identified across all Business Service functions; services will need to continue to operate whilst changes are being implemented.</li> <li>There may be a 'dip' in service performance whilst the transition to the new operating model is completed.</li> </ul>	<ul style="list-style-type: none"> <li>A clearly defined implementation and change management approach is required to support the transition to the new way of operating.</li> <li>A robust communications strategy will help articulate how service levels may change during the transition period and support expectations management.</li> </ul>

## 4 Risks

Type	Risk	Description & Implication	Mitigation
Operational	<ul style="list-style-type: none"> <li>Some benefits will have significant reliance upon technology solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Technology solutions will have a high number of dependencies and be time consuming to implement.</li> <li>Failure to progress with the technology needs can impact the timing or realisation of benefits and cause an increase in investment cost due to overruns.</li> </ul>	<ul style="list-style-type: none"> <li>Integration of Target Operating Model and IT implementation strategies enables the identification of dependencies at Orbis level.</li> <li>Application of common governance structures provides visibility of IT progress across all current programmes of work, including sovereign authority change programmes, Orbis and any potential ERP (SAP) replacement.</li> </ul>
	<ul style="list-style-type: none"> <li>Integration of new Partners into the Orbis model.</li> </ul>	<ul style="list-style-type: none"> <li>New Partners have the potential to impact the Business-As-Usual operations of Orbis through increased scope of services, capacity needs and political requirements.</li> <li>The entrance of new Partners will also have an effect on governance structures already present within Orbis.</li> </ul>	<ul style="list-style-type: none"> <li>A clear governance structure is required to support the strategic decision to integrate a new Partner and a defined on-boarding process is required to enable this.</li> </ul>
	<ul style="list-style-type: none"> <li>Differing terms and conditions can destabilise the working environment.</li> </ul>	<ul style="list-style-type: none"> <li>When staff from different organisations come together, differences in pay or terms and conditions, such as holiday and pension entitlements, can create a disjointed work force.</li> </ul>	<ul style="list-style-type: none"> <li>Development of Pay and Reward Strategy.</li> <li>Clear communication of expectations of staff based in various Orbis locations and the implications for this.</li> <li>Regular consultation and engagement with recognised trade unions.</li> </ul>
	<ul style="list-style-type: none"> <li>Staff and stakeholders resisting change.</li> </ul>	<ul style="list-style-type: none"> <li>Current staff and stakeholders may not appreciate the need for change and attempt to deter the change from happening.</li> <li>This will cause delays to the realisation of benefits and higher costs due to overrun.</li> </ul>	<ul style="list-style-type: none"> <li>Development of stakeholder map and identify risks.</li> <li>Ensure clear communication of the benefits of Orbis to staff and stakeholders.</li> <li>Utilise a communications strategy to engage staff and stakeholders in a positive manner and keep them up to date on Orbis successes.</li> </ul>

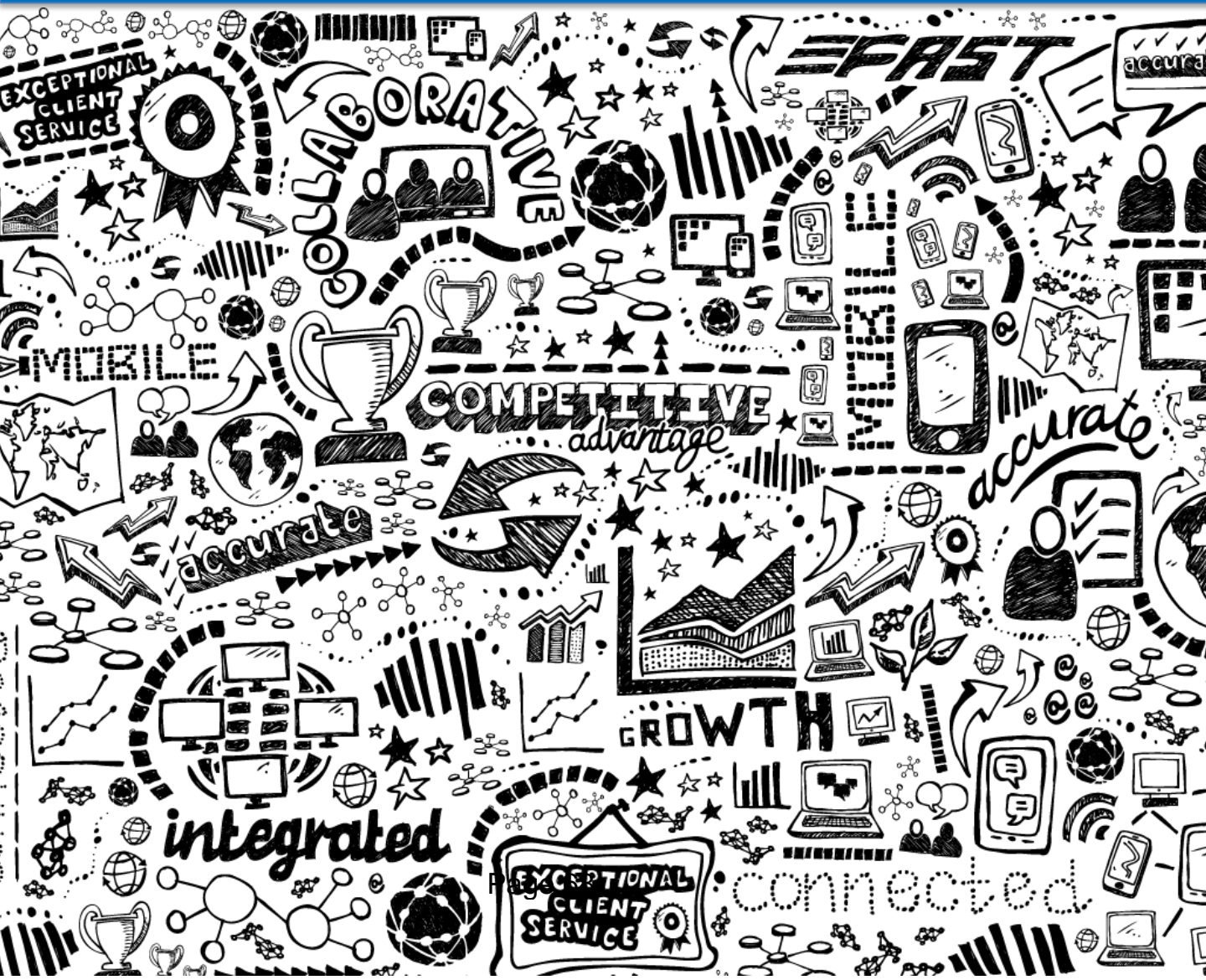
## 4 Risks

Type	Risk	Description & Implication	Mitigation
Operational	<ul style="list-style-type: none"> <li>Service behaviours not consistent with those set for Orbis.</li> </ul>	<ul style="list-style-type: none"> <li>The Orbis programme has set what it believes to be the behaviours services must exhibit to provide a 'Compelling Alternative' to service provision. If these are not adhered to then the quality of service delivered to customer may degrade</li> </ul>	<ul style="list-style-type: none"> <li>Communicate the behaviours set by the Orbis programme to services in a clear and concise manner.</li> <li>Ensure services agree with and buy into the behaviours.</li> <li>Provide training and review on a regular basis.</li> </ul>
Reputational	<ul style="list-style-type: none"> <li>Threat to Orbis' reputation from poor performance.</li> </ul>	<ul style="list-style-type: none"> <li>If the quality of service degrades either during or after implementation then the reputation of Orbis as well as that of the sovereign authorities will suffer.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure effective programme management is in place at each service line to track performance of services before, during and after changes occur.</li> </ul>

# Section 5

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## What's Next for Orbis





## 5. What's Next for Orbis

The story so far demonstrates that by utilising our existing talent to co-design and co-develop new services, we can achieve the compelling alternative through scale and pace.

Success Criteria	Demonstrated through..
<p>✓ <b>We will consider and respect the future experience for our customers</b></p>	<p>We have placed Customers at the heart of our initial stages of design. Our plans emphasise value in providing Customers with the right tools and knowledge to reduce their dependence on support services, while providing them with the backbone they need to deliver frontline services.</p>
<p>✓ <b>Our decisions have been based on robust evidence and provide value for money</b></p>	<p>The designs demonstrated so far have been supported and facilitated by experienced individuals who have delivered shared services and transformation across a number of sectors. We have 'stress tested' the efficiencies and plans against examples and are proud of how we compare – through our 'Compelling Alternative'.</p>
<p>✓ <b>We understand, appreciate and have incorporated a vein of Sovereignty</b></p>	<p>Our legacy Partner organisations are important to us, and we have built in their values and governance structures to set us up for success.</p>
<p>✓ <b>Our commitment to our sovereign authorities will not be impacted negatively</b></p>	<p>Orbis is a partnership and will enhance the service provided to our sovereign organisations, whilst respecting their procedures. We have taken the values and culture demonstrated by each Partner organisation to create something integrated, and complimentary.</p>
<p>✓ <b>As a partnership we can achieve far greater things, together</b></p>	<p>Our partnership is built on two outstanding organisations, coming together to create something unique and compelling. Our designs are predicated on taking the best parts of each to redesign our services – together, we can achieve great things. Integration is key to realising the efficiencies required to protect our front line services and create sustainable change .</p>
<p>✓ <b>We will build on our existing talent, expertise and knowledge of our EPIC people</b></p>	<p>We have put in place a range of opportunities, such as the EPIC Champions to ensure our colleagues are engaged and involved in the creation of Orbis. We will be developing a suite of practices to develop the Orbis culture and put in place opportunities that will enable our Epic people to flourish.</p>

In order to complete the Orbis story, reaching full integration and achieve full projected benefits, we require Cabinet's endorsement, sponsorship and sign-off of the investment required.

### 5.4.1 Opportunities for future growth

We have built a solid foundation, and have the ambition to further develop the partnership over the next three years. We will grow our services principally through on-boarding of new Partners or Customers.

**Partners:** The benefits case is predicated on two Founding Partner organisations. The addition of a new Partner has the potential to:

- Increase the scale of operations, where a new Partner has 'Common Activity' (e.g. HR) to Orbis. This has the potential to reduce the per unit cost of delivery.
- Enhance the Orbis commercial offering where a new Partner offers a new 'Single Activity' (e.g. Revenue and Benefits) that is operationally attractive.

Care needs to be taken to ensure that the Partners provide a good fit for Orbis and to mitigate dis-benefits associated with increased management time providing oversight or issue resolution.

**Customers:** Growth of Orbis through new Customers will enable the scale of operations to increase, provide opportunities to generate income, and create potential for further economies of scale. Data shows that currently 5% of in-scope Orbis activity is generated through income from Customers, demonstrating an existing demand but also potential for further development.

Consideration needs to be given to the organisation required to support an increased customer base to ensure that incremental income exceeds any incremental cost if cost effectiveness is to be maintained.

A large version of the 'orbis' logo, with the 'o' as a blue ring and the 'b' having a blue dot. The rest of the letters are in a light green color.

The Compelling Alternative

## Business Plan Summary

# Introduction

## Background

Surrey County Council and East Sussex County Council have formalised their partnership, aiming to become an ambitious, efficient, and modern provider of business services, which places our Customer at the heart of everything we do.

We have been working together since 2012, to improve the way we deliver services to our Customers – when we started leading the way through shared Procurement. The ambition is to create a ‘Compelling Alternative’ in the provision of shared services. We will do this by continuing to integrate our services, utilising existing talent to co-design and co-develop enhanced services that drive efficiencies and scale, and improve the way we deliver services to our Customers and Partners.

## Purpose of the Business Plan

To demonstrate early achievements and projected benefits of the partnership, we have established a standard approach to design and deliver integrated business services for the future. Each service is halfway through this process. HR is slightly further along, as they were the original pathfinder to demonstrate the ‘proof of concept’.



We have developed a set of principles to define success, and guide our forward plan, to provide confidence in the investment required to complete the Orbis story by 2019.

Principle	Demonstrated through...
<b>We will consider and respect the future experience for our Customers</b>	We have placed Customers at the heart of our initial stages of design. Our plans emphasise value in providing Customers with the right tools and knowledge to reduce their dependence on support services, while providing them with the backbone they need to deliver frontline services.
<b>Our decisions will be based on robust evidence and provide value for money</b>	The designs demonstrated so far have been supported and facilitated by experienced individuals who have delivered shared services and transformation across a number of sectors. We have ‘stress tested’ the efficiencies and plans against examples and are proud of how we compare – through our ‘Compelling Alternative’.
<b>We understand, appreciate and have incorporated a vein of sovereignty</b>	Our legacy Partner organisations are important to us, and we have built in their values and governance structures to set us up for success.
<b>Our commitment to our sovereign authorities will not be impacted negatively</b>	Orbis is a partnership and will enhance the service provided to our sovereign organisations, whilst respecting their procedures. We have taken the values and culture demonstrated by each Partner organisation to create something integrated, and complimentary to support our organisations to deliver our Corporate Plans.
<b>We can achieve greater things as a partnership</b>	Our partnership is built on two outstanding organisations. Our designs are predicated on taking the best parts of each to redesign our services – together, we can achieve great things. Integration is key to realising the efficiencies required to protect our front line services and create sustainable change.
<b>We will build on the talent, expertise and knowledge of our EPIC people</b>	We have put in place a range of opportunities, such as the Epic Champions, to ensure our colleagues are engaged and involved in the creation of Orbis. We will be developing a suite of practices to develop the Orbis culture and put in place opportunities that will enable our Epic people to flourish.

# Our Achievements

## Orbis, The Compelling Alternative

*“A trusted partnership delivering value to customers and residents through our expertise, innovation and passion.”*

# epic

Expertise Passion Innovation Customer

Through our collaborative co-design approach, we have demonstrated that we can make efficiencies while also enhancing the service that we provide for our Customers.

### EPIC People

- Orbis will capture a change in working for its people – these people are our biggest asset. This is why we will harness their talent, as we redesign how we work in the future through collaborative co-design.
- Staff engagement and motivation to be part of an **innovative, knowledge-led organisation** which places emphasis on the **development of talent**. We place significant emphasis on developing this and have launched Ingenium, our high performer talent programme, and we have co-developed our EPIC behaviours.
- Together, we have improved operational resilience as greater **depth and breadth of skills** exist across both Councils.

### Integrated Services

- We are designing integrated management structures to **enable strong, single accountability; these will be in place from April 2016**.
- We have identified early opportunities to create **scale, financial efficiencies**, and to **pool talent and expertise**, in order to deliver excellent quality for our Customers.

### Customer Experience

- Our vision and design principles are centred around **improving and sustaining the services** that we provide our Customers and Partners.
- We have developed an approach for service delivery that will **improve accessibility of services** and empower Customers to transform to an **agile way of working**.

### Financial Benefits

- We have confidence that we can achieve at least **12% savings over three years and Orbis business services will cost £8m less per annum in the future**.
- Through partnership, we are able to achieve this without reducing the scope of support from any of our services.
- Each service has jointly identified a three year plan for targeting these savings through integration.



Orbis is set to deliver value for money public services, delivering at least 12% operational savings over three years



We are designing future services which place the Customer at the heart of everything we do



Our designs have been co-developed and delivered through the collaboration of our EPIC people

# Our model for service delivery will drive efficiency and scale

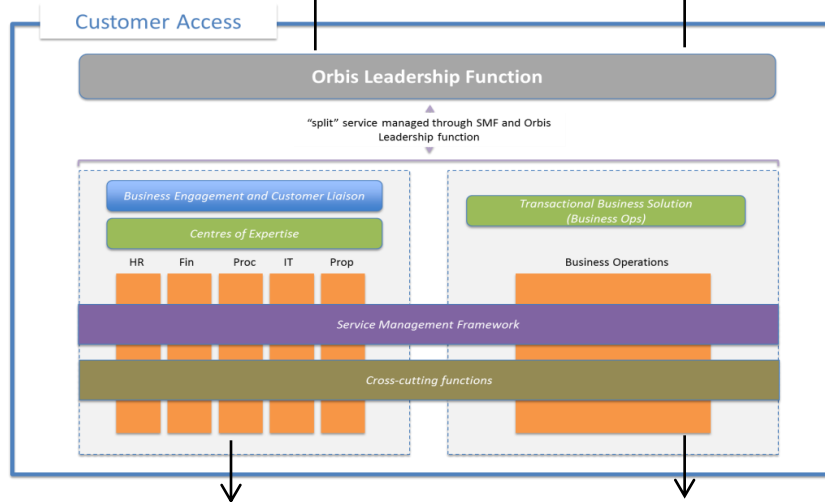
The approach to Orbis service design has been collaborative; bringing together two outstanding organisations to deliver an enhanced integrated service offering that leverages the operations of each Council.

There are six services involved in the partnership portfolio, including: Finance, Human Resources, Info. Technology & Digital, Property, Procurement, and Business Operations.

These services have worked together over the past months to design a functional service delivery model that works across all services, leveraging expertise of both Councils, and enabling greater customer access to these services. The high-level design of this model has provided a framework for Orbis level service delivery. The next phase of design will be to detail processes for each service that feed into this overall model.

**Orbis Leadership team (OLT)** has been key to the success of the designs so far, leading the transformation of the six service lines, whilst also taking key decisions which affect the future of Orbis as a whole.

We have prioritised the first key milestone as getting the **service management** in place to lead the way. This is not just about removing the duplication of management that naturally results when two organisations become one; this is about getting the right roles and people that will deliver our ‘Compelling Alternative’ and transformed service models. We think that this is the right way to create sustainable change which has minimal impact on our Customers.



There is a process to be taken with new Partners to identify whether **new services** e.g. Revenues and Benefits, would become a new service line (a new vertical) or be incorporated within an existing service line (an existing vertical). This will be dependant on the maturity of the service to take on the new activity and / or where the function can be managed most effectively.

**The centres of expertise** have been developed with the Service Design Working Groups – these are the areas of specialist, professional offerings from the service which will be ‘commissioned’ by the business engagement and Customer Liaison function, on behalf of the Customers. This will allow us to pool our expertise and strengthen our approaches through integrated offerings.

Services within the **Business Operations** function will drive efficiencies for Orbis and its Partners and Customers by reducing unit costs through efficiencies of scale. Typically these efficiencies will be achieved by effective process reengineering, better use of available technologies and through excellent people management.

# Our ambition is to enhance the experience for our valued Customers

Our Customers are the essence of our service delivery, and how we continue to work with them as a partnership is integral to our future success. The service design for Orbis proposes a channel re-design towards increased self-sufficiency, by empowering Customers to manage more of their own supporting processes, and placing less reliance on business support functions. The ambition is for Orbis to achieve a level of consistency in quality for our Customers, providing them with ease of access to the services that they need. The detail for how this will look and feel will be designed over the next phase of service design. We have a number of success stories for moving to this way of working already. Two examples of these are below.

### **Property Services to Schools in SCC**

The Property Service in Surrey County Council introduced a new self-serve technology so that Schools could log their maintenance requests. This allowed them to have real-time information on the progress of their request. Benefits included:

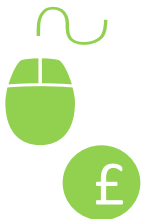
- Increased accuracy of data and information (schools self-submitting),
- Increased customer satisfaction .

### **Employee Assistance Programme - HR services in ESCC**

The Employee Assistance Programme at East Sussex County Council moved from a face to face channel to a telephone. Benefits included:

- Access availability increased to 24/7, 365 days per year,
- Reliability and universal access,
- Reduction in cost of service by 80% .

We are working together in partnership to improve the way we provide business services to the public sector. Our ambition is to become the 'Compelling Alternative'.



### **How will I benefit from Orbis?**

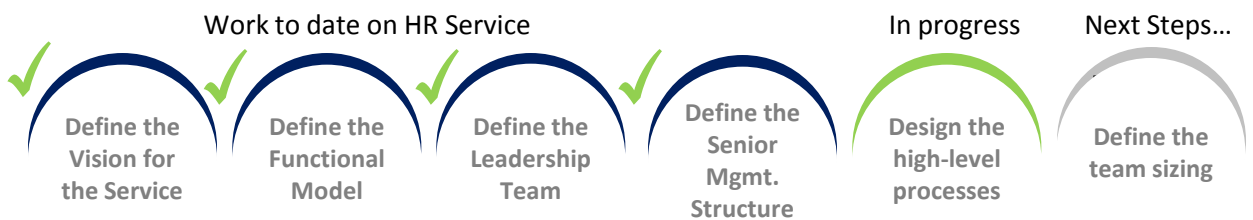
- Improved **convenience and accessibility** of our services.
- Access to the best **expertise, knowledge and experience** from our employees.
- **Standardised, streamlined processes** to make the service you receive more efficient.
- Operational excellence.

# Our Proof of Concept Project demonstrates our ability to achieve greatness

With the purpose of providing the right level of confidence at this stage of the business plan, a decision was taken to select a 'pathfinder' pilot project to undertake a detailed, early redesign and become the 'proof of concept'. HR was selected as the pathfinder for this, due to it being essential to the delivery and enablement of full integration across all services.

The aim of this pilot is to provide assurance in the approach and overall high level design, while also demonstrating that the financial benefits outlined in the Business Case, as well as additional non-financial benefits, are achievable and in some cases, prudent.

The pilot has been a great success thus far. HR has developed its integrated service delivery model, leadership team and senior management structure, and have demonstrated that it can achieve financial benefits over the three year business plan. The two teams have spent a significant amount of time working through the future state design, and vision for the service, which is largely enabled through channel re-design. This channel re-design will enable managers to have greater access to the tools and resources they need to effectively manage their teams, with less reliance on the HR professional.



## Benefits achieved through the HR Proof of Concept

- Financial Benefits
- Non-Financial Benefits
- Customer Experience

- Integrating and redefining senior management roles will deliver **20% savings**.
- Stress testing and benchmarking has demonstrated that HR could deliver **15%-20% savings through an initial investment in channel re-design, process improvement and removal of duplication** by year three of the business plan.
- **Standardised, streamlined processes** to make service delivery more efficient.
- Greater management of information and best in class services, will encourage more **effective decision making**.
- Reduction in administration work required of HR professional, so they can **focus on where they add the greatest value**.
- Improved **accessibility to the right tools and resources**, to enable effective decision making and people management.



# We have an ambition to grow

We have an aspiration for Orbis to grow beyond the initial two Founding Partners, and we have already generated interest from other local authorities wanting to sign up to our vision of the ‘Compelling Alternative’. Together, we can create further scale and efficiencies, and rival the Private Sector in delivering support services to a range of Customers. The proposal for Partners joining Orbis is presented in the table below. It outlines the potential ‘offer’ for new Partners wishing to join the partnership.

Essentially, new Partners will join Orbis at the current state of design. They will have the ability to help shape and influence how services will be delivered in the future. New Partners will have the opportunity to keep Orbis compelling, ensure it remains fit for purpose, but ultimately benefit from the established services and ways of operating which have been designed so far – including the efficiencies. Detailed work is on-going around defining the commercial principles for working as an Orbis Partner – we are currently having open conversations with potential interested Partners about how this could work in practice.

<b>Orbis Vision</b>	<p><i>“A trusted partnership delivering value to customers and residents through our expertise, innovation and passion.”</i></p>	
<b>Becoming an Orbis Partner</b>	<p>Orbis is all about creating a public sector shared service which aims to grow and strengthen through its Partners, increasing collective buying power and streamlining processes to provide better, more efficient services. The public sector should be seen as one team cooperating to save money wherever possible. Orbis aspires to become the go-to place for delivery of public sector services.</p>	
<b>What to expect</b>	<p>When you become a Partner, you invest in our vision for better and more compelling shared public services. It means you become an owner of this vision. This brings a significant level of responsibility and a number of advantages.</p> <ul style="list-style-type: none"> <li>• Support – Unlike the sole founder of an organisation, you are not alone; you are part of a collaborative network of fellow Partners who support one another to achieve our united goals of becoming the ‘Compelling Alternative’.</li> <li>• Legacy – The Orbis Partners are custodians of the service. You will have a unique opportunity to co-create something that will continue to grow as we develop and become more mature.</li> </ul>	
<b>The non-negotiables of becoming an Orbis Partner</b>	<p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>• You will work within and be a part of the Orbis governance arrangements which have been set out as a Joint Committee.</li> <li>• You will benefit from sharing an already established, passionate Orbis Leadership Team (OLT).</li> </ul> <p><b>Investment:</b></p> <ul style="list-style-type: none"> <li>• You will commit time and resource to provide critical support to help shape the service, (Founding Partners) , to build a credible customer offering. Senior officers will be required to challenge the design of services constructively through open and transparent dialogue , so that together we can build the ‘Compelling Alternative’. Operational staff will be required to take part in the co-design of detailed service offerings and structures.</li> <li>• You will commit a financial investment to an approved business case. Through being a Partner, you have a real stake in our joint organisation.</li> </ul>	<p><b>Partner Types and Roles</b></p> <p><b>Founding Partner:</b></p> <ul style="list-style-type: none"> <li>• Helps to shape the service to build a credible customer offering and the contractual arrangements which underpin it e.g. terms and conditions.</li> <li>• Will inform the design of initial Service Level Agreements (SLAs) and Key Performance Indicators (KPIs).</li> <li>• Play an active role in transformation of the service.</li> <li>• Benefits from co-developing the emerging offer, and proves the model through ‘first customer’ status for your respective sovereign agencies .</li> </ul> <p><b>New Partner:</b></p> <ul style="list-style-type: none"> <li>• Sign up to the core Orbis offer designed and outlined in the business case, helping to shape how services continually improve.</li> <li>• Benefits from a mature service and joining the already established infrastructure.</li> </ul>

# It is important to understand how our sovereignty will work

Under the partnership structure there will be a number of areas which need to remain sovereign to each Partner organisation. It is essential that each Partner have the relevant amount of control over their core functions to manage the priorities of each Council.

The Joint Committee structure provides flexibility and freedom for each Council. As Orbis is not a legal entity, each Council will continue to manage their respective budgets and corporate strategies.

For business services across the Partner organisations (i.e. Orbis), the overall decision making and accountability will be responsible within the Sovereign organisations, the delivery and management of these services will be managed and governed within the Joint Committee structure of Orbis.

Activity	ESCC / SCC Sovereignty	Orbis	Example Scenarios
Budget Management and Strategy (\$151 Accountability)	<ul style="list-style-type: none"> <li>Decision making on the budgets within ESCC / SCC.</li> <li>Decision making on actions for overspending.</li> <li>151 accountability.</li> </ul>	<ul style="list-style-type: none"> <li>Delivering services within budgets.</li> <li>Delivering a finance service to statutory requirements.</li> <li>Budget management.</li> </ul>	<i>E.g. sovereign department is overspending in either ESCC or SCC, Orbis would monitor the budget and provide information to ESCC or SCC in order for them to action within department in the sovereign agency.</i>
Orbis Service Strategy & Delivery	<ul style="list-style-type: none"> <li>Setting direction and requirements for business services.</li> <li>Oversight and governance against sovereign policy, management of Members.</li> </ul>	<ul style="list-style-type: none"> <li>Strategy development for how Orbis services can deliver against direction set by sovereign authorities.</li> <li>Management of performance against sovereign requirements (portfolio plans).</li> </ul>	<i>E.g. The portfolio plan written by either ESCC or SCC for business services requires 6 new schools to be built – Orbis would be responsible for managing the delivery of 6 new schools.</i>
Other departmental strategy	<ul style="list-style-type: none"> <li>All aspects of development, management.</li> </ul>	<ul style="list-style-type: none"> <li>Provision of supportive services and information.</li> </ul>	<i>E.g. directorate strategy for ESCC / SCC will be developed by sovereign authority. Orbis will be responsible for providing the department with supportive services as they deliver it.</i>
Employee Terms and Conditions (T&Cs)	<ul style="list-style-type: none"> <li>Setting and defining T&amp;Cs for staff.</li> </ul>	<ul style="list-style-type: none"> <li>Managing staff to T&amp;Cs, managing and delivering an HR process which complies with policies.</li> </ul>	<i>E.g. ESCC or SCC undergo a pay review for all staff and decide to increase all salaries by 2%, Orbis will manage the employee T&amp;Cs for the sovereign authority inside and outside of Orbis as part of the HR function.</i>

# Our benefits case is strong, and will be phased over the next three years

The benefits from establishing a shared service invariably relate to the consolidation of activities and services delivered by the two Partners, and the resulting resilience and efficiencies that can be gained. Integration of this scale will deliver financial and non-financial benefits, and both are fundamental to the success of the Orbis partnership.

Expected financial savings were originally estimated and categorised in the February Cabinet report and are summarised in the table below:

De-layering	Process Improvement	Removal of Duplication	Growth
Integrating the management of each service and reducing, where appropriate, the layers of managerial hierarchy.	Making processes more efficient and effective through use of more standardised, streamlined processes. These can often be technology enabled to offer automation or user empowerment through self-service.	Where activity is common across the two organisations, there is potential benefit through economies of scale and scope to remove duplicated effort.	Additional income that the services within Orbis have forecast can be achieved for inclusion in the business plan – this is key for Orbis as it expands its external customer base.

The initial business case stated that the partnership would achieve a financial saving of £6m-£8m over a three year period. After an initial analysis of ‘Areas of Search’ (activities with a high concentration of FTE and cost), and benchmarking against shared services integrations of this type, we are confident that the upper end of this range can be achieved, and a total saving of at least 12% can be delivered by year three of the business plan.

	16/17	17/18	18/19	Total
<b>Additional £m delivered each year</b>	1.2m	2.9m	4.2m	<b>8.3m</b>

Initial savings will be based on management de-layering and removal of duplication, which yield benefits of 10-15%. The total benefits against 15/16 baseline will recur year on year.

Each service has been challenged to target savings in the range of 15% over the three year business plan, while maintaining a consistent quality of services for Customers and minimum disruption. The timeline to deliver these savings will be different for each service. This will depend on business readiness, technology enablement and resource capacity.

In addition to the financial benefits expected from the partnership, there are some key non-financial benefits that the partnership will aim to achieve over the next three years:

- Improved client management and customer experience through process reengineering, better use of technologies and excellent people management.
- Better insight for decision making and investment due to improved systems.
- Increased staff motivation and attraction of top talent through Orbis-wide people engagement and development work.
- Incremental growth by attracting additional Partners and Customers and adding additional services to the Orbis offering.

# In order to complete our story, we need to invest

A transformation of this scale and duration will require significant investment. The main investment costs will be technology implementation and programme related costs. High level estimates show indicative implementation costs of c.£7m to deliver the three year business plan, excluding the cost of changes to the Business Solutions Platform. These costs have been reviewed to incorporate updated estimates based on further IT design definition and a potential programme team to support implementation.

Cost Category	Description	Indicative costs
IT Costs <sup>1</sup>	This includes the cost of : (a) Core IT systems to enable operations across the two organisations. (b) Business Line specific applications to enable the new processes in each service.	£3.5m
Programme Costs	This includes the costs of programme team resources for the three year business plan to benefit all services. Costs are dependent on the speed of design and implementation, along with the level of complexity to move to the new way of operating.  Costs incurred for the benefit of an individual service are borne by that service and not included here.	£2.1m
Contingency	This is a 10% contingency on IT costs to reflect a level of uncertainty and risk associated with implementation.	£350k
Sub-Total		<b>£6.0m</b>
Reorganisation - Redundancy Costs	This includes an estimate for the redundancy costs associated with the programme. The total will be dependent on the remuneration and length of service of individuals that leave the organisation. Natural attrition and not filling vacancies is expected to mitigate increases to this figure.	£1.0m
Total Investment		<b>£7.0m</b>

<sup>1</sup> Excluding Business Solutions Platform

## Business Solutions Platform

Both organisations are using the same Enterprise Resource Planning System (SAP) and have confirmed that this needs to be reviewed to align systems and provide further benefits and flexibilities. However, a separate business case will be developed for Cabinet review and approval.

## Phasing of Implementation Costs

A high level indicative phasing of costs has been applied over the life of the business plan

Costs	16/17	17/18	18/19	TOTAL
£m	£4.2m <sup>2</sup>	£2.1m	£0.7m	<b>£7.0m</b>

<sup>2</sup> Dependent upon speed of delivery, of this total, up to £1.3m maybe incurred prior to 1 April 2016

# There is also a need to understand and mitigate against a number of inherent risks

We have great ambition to deliver effective, sustainable change over the three year business plan. We recognise that there are risks involved with this level of change and integration. By identifying these risks early on, and providing key stakeholders with visibility and clarity, there is opportunity to understand and appreciate the implications so that we can mitigate accordingly. The following table summarises some of the strategic, financial and operational risks that could be expected.

Type	Risk	Description & Implication	Mitigation
<b>Strategic</b>	Council objectives change significantly from those identified and agreed at the creation of Orbis.	<ul style="list-style-type: none"> <li>Divergent strategies of the two councils has the potential to undermine the operations of Orbis or require significant changes to the Orbis operating model.</li> </ul>	<ul style="list-style-type: none"> <li>A Joint Committee structure has been agreed, which helps ensure that all Partners have oversight on the running of Orbis.</li> <li>Orbis Leadership will be visible to the Sovereign authorities and have the ability to articulate the impact of sovereign decisions on Orbis.</li> </ul>
	Any changes from an integrated model (i.e. Dissolution of partnership) will be complex, costly and time consuming.	<ul style="list-style-type: none"> <li>Integration of the Partners will add increased complexity to any dissolution (e.g. significant roles may be completed by individuals employed by one authority, joint budgets may not allow a clear delineation between activity in one authority or the other).</li> </ul>	<ul style="list-style-type: none"> <li>Both councils enter into the arrangement on an indefinite basis.</li> <li>Exit strategy and implications will be addressed as part of the Inter Authority Agreement (IAA), which is currently being developed.</li> </ul>
<b>Financial</b>	Business case does not achieve the full range of benefits identified in the business plan.	<ul style="list-style-type: none"> <li>The financial case may not achieve the identified targets, potentially through delayed benefit realisation or increased investment costs.</li> </ul>	<ul style="list-style-type: none"> <li>A clearly defined benefits management process is to be defined and implemented to enable quick identification where benefits are unlikely to be realised and mitigating actions to be taken.</li> </ul>
<b>Operational</b>	The implementation of the integrated Orbis model will involve a high degree of change that has the potential to interrupt Business-as-Usual services.	<ul style="list-style-type: none"> <li>Changes are likely to be identified across all Business Service functions; services will need to continue to operate whilst changes are being implemented.</li> <li>There may be a 'dip' in service performance whilst the transition to the new operating model is completed.</li> </ul>	<ul style="list-style-type: none"> <li>New designs and GAP analysis between current and future states need to clearly articulate the changes required and migration strategy.</li> <li>A clearly defined implementation and change management approach is required to support the transition.</li> <li>A robust communications strategy can help articulate how service levels may change during the transition period and support expectations management.</li> </ul>



## Next Steps

The story so far demonstrates the strength of our partnership, and our ability to achieve the ‘Compelling Alternative’, through co-design and co-development. Our ambition is strong and we believe we must continue to drive momentum through scale and pace.

We understand that this will be a journey with associated risks, and we believe through identifying these early, keeping our stakeholders informed, and taking required action to mitigate accordingly, we can achieve greatness.

In order to complete the Orbis story, and achieve full projected benefits, we require Cabinet’s **endorsement, sponsorship and sign-off** of the next level of investment required.

This will allow us to continue to the next phase of detailed service design, and the procurement of the Business Solutions Platform.

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  - In order to maintain momentum and continue to drive pace and scale, we need to invest in new technologies and a long-term implementation programme.
  - The total investment to deliver a programme of this scale and duration, including technology investment is £6million.
  
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  - We require Cabinet’s endorsement, sponsorship and sign-out of the required investment in order to proceed to the next phase of design and initiate procurement of the Business Solutions Platform.