

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Policy and Resources
<b>Date:</b>	14 April 2010
<b>Title:</b>	Management arrangements associated with the National Improvement and Efficiency Partnership (NIEP) and Improvement and Efficiency South East (IESE)
<b>Reference:</b>	1567
<b>Report From:</b>	Chief Executive

**Contact name:** Andrew Smith

**Tel:** 01962 845252

**Email:** andrew.j.smith@hants.gov.uk

#### 1. Executive Summary

- 1.1. The purpose of this paper is to clarify the management arrangements associated with the County Council's role in leading on the National Improvement and Efficiency Partnership (NIEP) for Construction, and its role as Account Manager for Improvement and Efficiency South East (IESE) with effect from 1 May 2010.
- 1.2. The Chief Executive has been asked to be the Chairman of the IESE Chief Executive's Management Group (CEMG) and in so doing becomes the Accounting Officer for IESE. This report seeks approval from the Executive Member for Policy and Resources for the financial, staffing and commissioning arrangements for the IESE work programmes. Communities and Local Government funding for 2010/11 is some £11m.

#### 2. NIEP for Construction

- 2.1. NIEP for Construction was established with the primary aim of raising the performance and collaboration of local and central government to deliver both national construction programmes alongside local benefits. Hampshire County Council was approached by the Department for Communities and Local Government (CLG) to lead on this partnership following its success in leading on construction procurement workstream within the South East Regional Improvement and Efficiency Partnership (IESE).
- 2.2. NIEP for Construction has established a Management Board which includes representatives from the nine Regional Improvement and Efficiency Partnerships, CLG, Office of Government Commerce (OGC) and the private sector. The Chief Executive of Hampshire County Council chairs the Board.

2.3. The Board met formally for the first time in November 2009 and has now identified 5 key workstreams which are led/joint led by representatives locally and nationally with current/relevant best practice within the theme:

- Procurement and supply chain
- Client leadership
- Asset management
- Skills, apprenticeships and learning
- Highways

2.4 The Partnership has initially been funded in part by CLG (a grant of £250,000) and from a contribution of £14,000 from each of the RIEPs (£126,000). The budget is managed by the Chief Executive's department.

### **3. Improvement and Efficiency South East (IESE)**

3.1. The Chairman of the RIEP, (previously the Chief Executive of Kent County Council) acts as the Accounting Officer for the government funding allocated to the South East RIEP (IESE). Following the retirement of the Chief Executive at Kent County Council, Hampshire County Council has been asked to be the primary accountable body for IESE. In performing this role it will be necessary to:

1. Transfer the 6 IESE staff currently employed by Kent County Council to Hampshire County Council with effect from 1 May 2010.
2. Authorise Andrew Smith, Chief Executive to act as the Accounting Officer for IESE. Authorise Andrew Lerner, Regional Director of IESE and two support staff (Kevin Neale and Teresa Skinner) to authorise expenditure based on decisions approved by the IESE Member Board and the Chief Executive's Management Group.
3. Report to the Executive Member for Policy and Resources every six months on progress and key areas of expenditure retrospectively.

3.2. IESE is grant-aided by Central Government and funding of approximately £11m is expected to be allocated in 2010/11, which will be supplemented by unallocated funding from 2009/10 held by Kent County Council and any surplus funding that may be identified that has already been allocated to partner authorities for specific projects. The majority of the Government grant is available to support specific projects being managed by other local authorities and will not pass through the County Council's accounts. In addition it also supports the cost of a core team of six staff currently employed by Kent County Council, who will transfer to Hampshire County Council. The Director of HR is currently liaising with Kent County Council on the transfer arrangements, conditions of service and pension arrangements for these six members of staff.

3.3. There is also an SLA with Tandridge Borough Council, Surrey to provide support staff for the Regional Director and his team which will continue be

funded by IESE. All equipment, office, stationery and other associated costs are paid direct by IESE

- 3.4. IESE also maintains a separate contingency fund sufficient to cover any liability for the six members of staff in the event of the cancellation of the IESE programme. This fund will include liability for salary costs during the notice period plus redundancy costs. In the circumstances no cost will fall on the County Council. It should be noted that so far the Property function within the County Council has received from IESE some £3.4m over the last 3 years.
- 3.5. The County Treasurer has been asked to make all the necessary accounting arrangements to support IESE in line with County Council protocols.

#### **4. Recommendation(s)**

- 4.1. That the Chief Executive's role as Chairman of the National Improvement and Efficiency Partnership be noted.
- 4.2. That the County Council become the Accountable Body for IESE.
- 4.3. That the Chief Executive be the Accounting Officer for IESE as prescribed by CLG.
- 4.4. That the six IESE staff currently employed by Kent County Council (funded by a central government grant) be transferred to Hampshire County Council with effect from 1 May 2010 subject to the Director of HR formalising the transfer arrangements.
- 4.5. That the Regional Director and his support staff be authorised to approve expenditure based on decisions made by the IESE Member Board and the Chief Executive's Management Group and funded exclusively from IESE resources.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	no
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	no
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Improvement plan link number (if appropriate):	

**Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

DocumentLocation

None

**IMPACT ASSESSMENTS:**

**1. Equalities Impact Assessment:**

1.1. None

**2. Impact on Crime and Disorder:**

2.1. None

**3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption? N/A
  
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? N/A