

Local government reform in Hertfordshire

Support options discussion document
November 2019

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1. Our understanding of your requirements

Our understanding of your requirements

In order to build on your strong record of collaboration with other councils and partner organisations in Hertfordshire, you are seeking support to assess the potential options for more formal, structural change.

From our discussions to date, followed by an initial review of the current landscape our reflections are:

National context All councils are in the position of having to adjust to rapidly changing circumstances. The combined forces of increasing demand, ongoing fiscal restraint and a fluid national policy agenda has now become the norm. How councils respond to these challenges will be key to ensuring their future success.

Local context Hertfordshire has made great progress in building local and strategic relationships. Working with the district councils and the LEP, Hertfordshire Forward brings together all the key agencies in the place to focus on improving outcomes for their local residents. This is against a backdrop of the collaboration efforts that have already taken place in Hertfordshire and are gaining traction.

Public sector reform agenda Subject to the outcome of the general election, there is potential for an increase in government's appetite for structural change. Most commentators anticipate a greater focus on unitary and combined authorities, potentially coupled with wider devolution deals.

We understand you are looking for a high level and rapid analysis of the potential structural change options for Hertfordshire. In particular we understand you are seeking:

- **A partner with a strong track record of delivering transformation in local government and wider sectors**, with particular experience of working with local authorities and central government on delivering structural reform and building a case for change.
- **Local Government reform insight and expertise** to work with you to develop viable structural form options for Hertfordshire.
- An honest appraisal of those options using **robust criteria in order to assesses their potential against the MHCLG framework** as well as local requirements.
- **A high level financial case and roadmap** to provide further evidence to support decision-making and clarity on implementation activities.

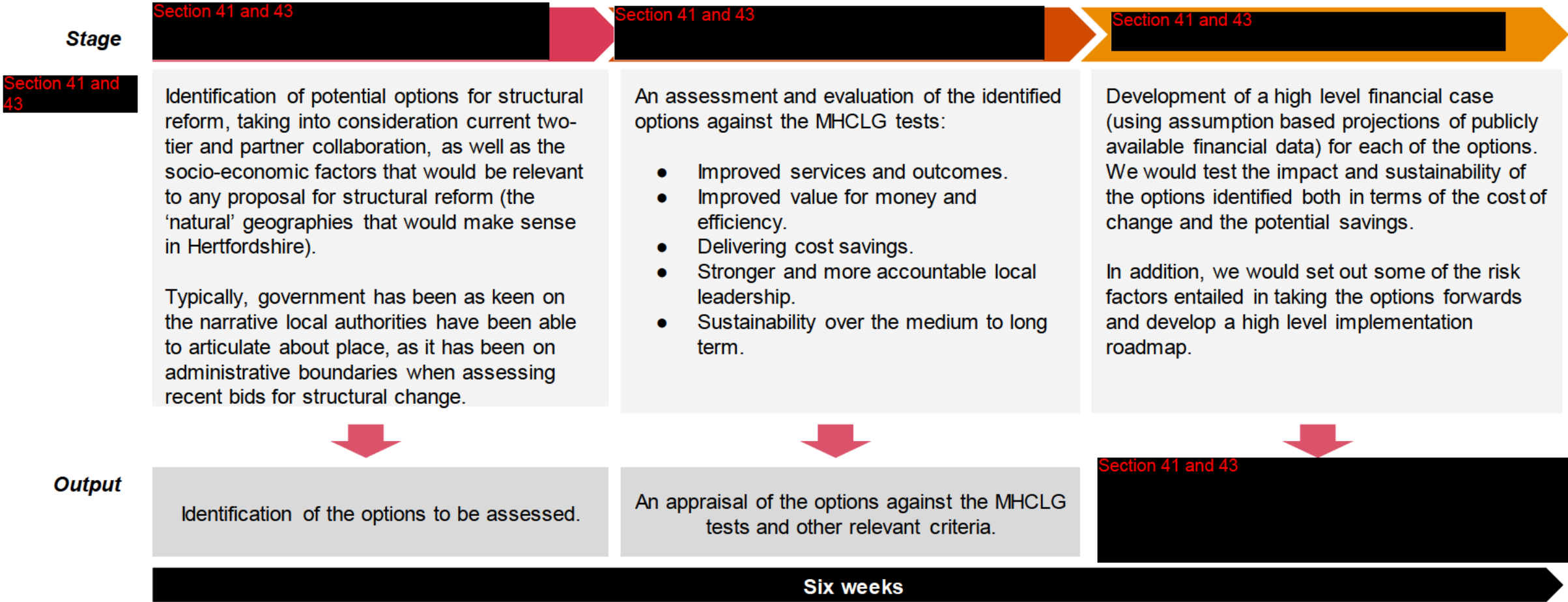
You require this work to be completed in a discrete and objective manner, giving you the tools to proceed at pace if required and with a full awareness of the potential risks, benefits and commitment involved.

2. Our proposed approach

Section 41 and 43

Section 41 and 43

Successfully deployed with other local authorities and tailored to your specific needs, our proposed approach to conducting the review is based around the following three stages, to be carried out over a six week timeframe.



In this stage, we will mobilise our team and agree ways of working, activities and responsibilities for the next six weeks, including identifying a limited set of key stakeholders with whom to develop this confidential and discrete piece of work. We will then proceed to develop high level structural options, drawing on your current arrangements and our insight from delivering structural reform around the country.

Activities & engagement

Mobilise team	Mobilise the team. Clarify and agree outputs of the project and agree a detailed plan.
Rapid assessment of current landscape	Rapid assessment of the current landscape including developing a full understanding of non-structural change and collaboration arrangements developed in Hertfordshire to date. We will use this insight to ensure that the options we develop are viable based on existing arrangements and natural geographies. This will include a desktop review of existing documents and materials as well as initial conversations with key stakeholders if appropriate.
Define and agree possible options	Explore what structural change options might be possible, taking into consideration the local context and criteria set by central government for structural change. In our experience it is imperative that there is an agreed vision and set of priorities amongst all partners and we would seek to build on the work that has already been achieved through the Hertfordshire Forward partnership. We would seek to agree with you at this stage which options for change should be explored in more detail.

Outputs

- Clarity and agreement of final outputs.
- Agreed project plan.
- Agree preferred ways of working.
- Agree which options are to be explored.



Example options

Duration

The activities in this stage will be undertaken during the weeks one and two of the project. It is expected that resources from the Council supporting the project will be confirmed prior to the project commencing.

Section 41 and 43

Section 41 and 43

In this stage, once the possible options available have been agreed, we will assess each against an agreed set of criteria to develop a picture of the potential risks, benefits and implementation effort or resource required.

Section 41 and 43	
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Section 41 and 43

Section 41 and 43

Benefits



What are the benefits to the Council of this delivery model option?

Opportunities



What additional opportunities would this delivery model option give the Council?

Costs



What are the costs associated with this delivery model option?

Risks



What are the risks associated with this delivery model option?

E.g. Capital investment, labour and up costs

E.g. Operational risk, commercial risk, delivery risk

Example criteria for options appraisal

Section 41 and 43

Section 41 and 43

Starting with setting out the current financial baseline for the council and key partners, we will develop a high level analysis of the potential benefits and costs associated with structural change. We will also set out a roadmap for implementation.

Activities & engagement

Financial analysis	<p>This work will include the development of a high level financial case using publicly available data.</p> <p>We will apply our previous experience and expertise to test the sustainability of each option as well as the impact of the potential risks identified with each option..</p> <p>Using models we have developed previously, we will also provide a high level picture of the cost of change and the potential financial and non-financial benefit associated with each option.</p>
High level roadmap	<p>We will set out a timeline for next steps that would include a suggested approach with local partners and with central government.</p> <p>This will include identifying and outlining a programme of work that the county council will need to commission to provide evidence for a case for change.</p>

Outputs

- High level financial case.
- Roadmap and timeline for putting together a case for change.



Example implementation roadmap

Duration

We would anticipate this stage of our work running in parallel to stage 2 and taking four weeks to complete. The final product will be a strategic, confidential report pulling together the various outputs described in the three stages of our approach.

3. Why PwC?

We have extensive experience of working with the local government sector, leading complex transformations including efficiency and operating model change, devolution, integrated care and local government reorganisation. We have significant experience of the contextual challenges that have brought structural reform back on to the local government agenda, as well as the mechanics of putting together successful proposals, transition plans and implementation support for the reorganisation process. During the last significant round of English local government reorganisation, our team played a major role in supporting participating councils through the process, acting as a strategic transformation partner, reviewing business cases for 12 councils and providing wider support. We have been the leading adviser to councils making case for change submissions to the Government in the last two to three years. We have worked with councils across England, supporting the development of their submissions to Government.

Future Dorset

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COUNTY COUNCILS NETWORK

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Council

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Borough Council

NOATHAMPTON
BOROUGH COUNCIL

Northamptonshire
County Council

South
Northamptonshire
Council

Welton Borough Council

Thank you

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This is a proposal document and does not constitute a contract of engagement with PricewaterhouseCoopers LLP. The information set out in it is an indication of the terms on which we propose to carry out “Local government reform in Hertfordshire” but the proposal is subject to the terms of any subsequent engagement contract that may be entered into between us. In the event that our proposal to you is successful, our acceptance of the engagement will be contingent upon the completion of all our internal engagement acceptance procedures.

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