
PROJECT MANAGEMENT (IMPROVING SERVICES FOR CHILDREN & YOUNG PEOPLE & FOR ADULTS)

Report of the Town Clerk & Corporate Director

1. Purpose of Report

- 1.1 In supporting the Chief Executive's proposals for "Improving Services for Children and Young People and for Adults on 27th June, the Cabinet resolved:-

that the Chief Executive establish the necessary project management arrangements, including dedicated external project management support, with costs split between the Education and Lifelong Learning Department and the Social Care and Health Department and that expenditure be contained within the £100,000 delegation limit pending a further report to Cabinet.

- 1.2 This report describes the project management requirements and seeks approval to the full costs.

2. Recommendations

- 2.1 That project management costs be approved up to £240,000 gross, the costs to be funded equally by the Education and Lifelong Learning Department and the Social Care and Health Department.

3. Report

The Project Management Resource Need

- 3.1 This is a substantial project. The scale of change required, includes realigning some 80% of the Council's resources. The overall purpose was summarised in the previous Cabinet report as follows:-

- Deliver integrated service configurations for the two new Departments, with associated adjustments in other Departments.

- Clarify and, where necessary, rationalise services across Departments, trading and support functions and related procedures (having regard to the planned review of support services).
- Ensure the new structure has the flexibility for realigning services between Health and Adult or for joint working arrangements.
- Realign Council budgets to reflect the new structure and provide clear management accountability.
- Ensure effective communications in relation to the project, including Scrutiny Committees and the trades unions generally and in connection with the protocol for organisational reviews.

3.2 The proposed project structure is set out in the Appendix and this will be developed as the project proceeds. The main features can be summarised as follows:

- Until the senior structure is dealt with, the project will be led by the Chief Executive, as Project Director, who will need a bespoke Project Manager resource to ensure that the respective “strands” of the project are effectively managed and co-ordinated. The Directors’ Board with the Service Director (HR) will be the project board.
- The main “strands” of the project will include:
 - ❖ Recruitment
 - ❖ Staffing review
 - ❖ Budget dis-aggregation and re-aggregation
 - ❖ Children’s’ Federation
 - ❖ Interface with the support services review (since both projects affect support staff)
 - ❖ ICT systems
 - ❖ Property and Accommodation
 - ❖ Staff development
 - ❖ Communication
- Other strands may be identified.

Resource Implications

3.3 The majority of the resource needs can be met by realigning and reprioritising existing resources. However the following are resource gaps that need to be filled by internal or external sources:

- **Project Manager**

- To exercise responsibility for the day-to-day management of the project throughout its stages.
- To provide direct support to the Project Director in his leadership and coordinating role. To support the Project Board and ensure the project strands are properly co-ordinated.

- Estimated cost £70-80k. It is proposed that the Project Manager also leads the Staffing Review on behalf of the Project Director with professional support from the Council's HR service.
- Cabinet (27th June) approved expenditure of up to £100k to resource this and arrangements are in place to fill this position.

▪ **Recruitment**

- Tribal are the proposed agency to support the recruitment process at Corporate Director level, following a procurement exercise.
- Estimated cost £19k, plus advertising and related costs.
- It is proposed that additional resources to lead any necessary external Service Director level recruitment, including job design and structural options are needed. These may also be provided by Tribal but would be subject to Council procurement rules.
- It is difficult to provide precise estimate until any Service Director level recruitment needs are established. However, indicative costs are between £30-60k.

▪ **Support for Children's Federation**

A project manager resource need has been identified to assist with the development of the Children's Services Department. Estimated costs £60 - £70k. A contribution of £30k towards these costs has been identified from the DFES Children's Trust Pathfinder grant.

3.4 It is currently estimated that all other strands would be managed and Resourced within existing established resources.

4. Financial Implications (Author: Andy Morley)

4.1 Cabinet, at its meeting on June 27th, 2005 approved expenditure up to a maximum of £100k to fund the recruitment of a Project Director. This cost is to be borne equally by the Education & Lifelong Learning and Social Care & Health Departments The approval was given "pending a further report to Cabinet". The present report now gives more detail of the proposals.

4.2 In addition to the appointment of a Project Director, the realignment of Council budgets in respect of Children's and Adults services will entail other expenditure. The proposals are summarised in the table overleaf:

TABLE: Estimated costs of Project Management

Item	Expenditure / (Income)	
	Lower est £'000	Higher est £'000
Appointment of a Project Manager	70	80
Recruitment support at Corporate Director level – inc advertising & related costs estimated at £11k	30	30
Other recruitment costs at Service Director level	30	60
Project Manager for development of Children's Services in Leicester	60	70
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GROSS COST	190	240
Potential contribution from DFES towards support for federation	(30)	(30)
NET COST	160	210

- 4.3 The total costs are therefore in the range £190k - £240k gross, £160k - £210k net after allowing for a contribution of £30k from the DFES Children's Trust Pathfinder Grant. The net cost would be split equally between the Education & Lifelong Learning and Social Care & Health Departments.
- 4.5 Subject to the decision of Council on proposed revisions to the virement rules at its meeting on June 30th, the proposed virement of up to £240k may now be within the limit of the delegation from Council to Cabinet. The proposal from Cabinet was that Council should approve an increase in the delegation threshold from £100k to £1m.

5. Legal Implications (Author: Peter Nicholls)

There no legal implications.

6. REPORT AUTHOR

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 30th June 2005

DECISION STATUS

Key Decision	No
Reason	
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)