



CABINET

13 DECEMBER 2016

CHIEF EXECUTIVE OFFICER: PAUL BLANTERN; AND

DIRECTOR OF PEOPLE COMMISSIONING: DR AKEEM ALI

LEADER OF THE COUNCIL: COUNCILLOR HEATHER SMITH

Subject:	Update On Council Prioritisation Framework And Process
Recommendations:	<p>Northamptonshire County Council aims to introduce a standardized method of prioritising how and where it uses its resources. To do this, in September, Cabinet approved the development of a prioritisation framework (“the framework”). Since then, there has not been as much progress as expected and more time is needed to develop a robust system.</p> <p>Therefore, Cabinet is asked to approve</p> <ol style="list-style-type: none">1. A change to the timetable for further development of the statement of values and the criteria for the framework, through additional engagement with councillors and the public, including:<ol style="list-style-type: none">a) An extended public consultation, including public meetings and direct engagement with communities, particularly vulnerable groups.b) Continued engagement with councillors, including an additional Overview and Scrutiny workshop(s)

1. Purpose of Report

- 1.1 This paper is written to update the Cabinet on progress made in developing the prioritisation framework, including results of the public consultation. The paper also informs Cabinet of the proposed next steps.
- 1.2 In September 2016 Cabinet approved the development and implementation of a prioritisation framework and process for use across the Council.
- 1.3 Using a systematic approach to prioritisation is sensible. It would ensure that not only new projects, but also business as usual are aligned to the council’s strategic goals. It would also make sure that the council was consciously making the best use of its resources, including staff and budgets. If necessary resources could be shifted from one area to another, to best meet needs and obligations. This is not to suggest that priority setting is not done sensibly at the moment, but it is not done in the same way, using the same principles, across the whole organisation. Having a system in place to standardize this is good practice. With that in mind, Cabinet approved implementation of a system, or framework that would work in Northamptonshire County Council (NCC).

1.4 Specifically, Cabinet agreed to the following recommendations:

1. *Approve the development and implementation of a prioritisation framework and process for use across the Council.*
2. *Approve the proposed, mixed methods approach to prioritisation, which includes the use of:*
 - *An ethical framework that outlines the key guiding principles and values for resource prioritisation;*
 - *An appropriate combination of evidence, strategic needs assessment, community expectations and business intelligence, to inform prioritisation decisions;*
 - *Recommended decision-making tools with built-in criteria for service assessment and impact analysis; and*
 - *A rigorous and methodical stakeholder and public engagement process to ensure that the fairness and equity of the impact of prioritisation decisions are fully considered.*
3. *Agree that delegated authority be given to the Chief Executive and the Corporate Director of People Commissioning to complete the development of an explicit statement of Council principles and values (the ethical framework).*
4. *Agree that delegated authority be given to the Chief Executive, in consultation with the Leader of the Council and Cabinet and supported by the Corporate Director of People Commissioning, to complete the technical appraisal of available tools and recommend a specific tool appropriate to Local Government and Northamptonshire for use in the final framework.*
5. *To seek approval from Cabinet and Council later this year for full implementation of the final prioritisation framework based upon the ethical framework and recommended tools.*

1.5 We were depending on the outcomes of the public consultation and engagement with councillors, mainly through the Overview and Scrutiny process, to develop the framework further. What we found during this first phase of developing the framework and consultation was that people responded in quite low numbers to the consultation, with very mixed results. The sorts of responses that we received, either for or against this idea, were not in a form that could easily be used to change the content of the framework. At the end of this consultation process, it is clear that more engagement is needed to continue this work and achieve a high quality prioritisation framework.

1.6 This paper proposes that the timeframe for developing and implementing the prioritisation framework is extended to Spring/Summer 2017. This will allow for that extra engagement and ensure that the final product is robust, can be put into practice and is adopted across the council.

2. How this decision contributes to the Council Plan

The Council's vision is to make Northamptonshire a great place to live and work. This is achieved through increasing the wellbeing of your county's communities and/or safeguarding the county's communities.

This initiative specifically delivers increased wellbeing and/or safeguarding by ensuring that:

- | |
|--|
| <ul style="list-style-type: none">• Resources are utilised effectively and efficiently, in coordination with partners and providers. |
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3. Background

3.1 The purpose of the prioritisation framework and process is to provide a systematic approach for decision makers to choose between competing outcomes and demands on the council budget. The framework is intended to help the council make fair and equitable, sensible and justifiable prioritisation decisions. We intend to use a transparent process, engaging the public and other people who have an interest, when putting the framework into action. The proposed approach aims to support and not to weaken democratic accountability.

3.2 We took an evidence-based approach to finding and developing a prioritisation system for NCC, by reviewing published papers and seeking information from other councils, as well as experts in this area. A number of different approaches was considered and the final proposal took into account their pros and cons, as well as evidence about what approaches tend to be most effective. Effective prioritisation means that decisions are well-informed, based on high quality information and are robust, i.e. the decision gets carried through and can be easily defended if challenged.

3.3 The suggested approach included the four key elements for effective prioritisation:

- A statement of the principles and values that drive priority setting (known as an ethical framework)
- Using evidence of what works and why something is needed
- A transparent process with clear accountability
- Public involvement and stakeholder engagement

3.4 A draft ethical framework was developed to stimulate discussion and as a template for developing the final statement of principles and values. In addition, a draft set of prioritisation criteria, presented as a prioritisation tool, was also developed. The criteria are a way of translating the principles, values and evidence into something we can measure against, to see if proposals for using resources measure up.

3.5 Stakeholder engagement and public consultation, which was intended to inform the content of the ethical framework and criteria, took place in November, via the council's online consultation portal. Alongside this, there was an Overview and Scrutiny process, in the form of a specially convened Overview and Scrutiny workshop, to allow councillors the opportunity to shape the proposal and framework, before it is approved by Cabinet.

3.6 There was a very limited response to the public consultation, with a maximum of 39 respondents. Also, Overview and Scrutiny councillors had concerns about the timetable for development and implementation of the framework, particularly given the short public consultation timeframe. They thought that only one month was likely not to allow enough people the opportunity to comment. They were particularly concerned to make sure that vulnerable communities and those without internet access were properly consulted.

- 3.7 The limited engagement during this phase has meant that the number of consultation responses was too small and the content of responses was too general to help complete the framework. Most comments tended to be high level and about the overall idea, rather than the precise values, principles or criteria that had been suggested. No responses suggested discarding any of the suggested items and none suggested any additional values, principles or criteria.
- 3.8 As a result of the low number of consultation responses, the respondents' suggestions and taking into account the views of Overview and Scrutiny councillors, it is suggested that the timetable for developing and implementing the framework should be extended. This would allow for more effective public engagement, involving face to face community meetings, as well as a follow-up survey, which would be open for longer and available in various formats.
- 3.9 It would also enable further engagement with councillors, from across the whole council, to increase their understanding of the intended approach and, importantly, get ideas from them for the prioritisation criteria. There would be an opportunity for further Overview and Scrutiny as well.
- 3.10 This further engagement will allow the framework to be developed into a more robust tool, appropriate to NCC and it will enable members and staff to be trained in its use.

4. Consultation and Scrutiny

- 4.1 **Consultation** – A public consultation was carried out in November 2016, in order to help shape the prioritisation framework. Views were sought on the core values and criteria. It was hoped that this would assist in developing the framework, e.g. by amending or clarifying the criteria. Given the relatively short timeframe for bringing a report back to Cabinet, the consultation was carried out via the Council's online consultation portal and was open for only one month.
- 4.2 The consultation document and survey were presented in plain English, with an easy-read version available, as well. However, the draft ethical framework and prioritisation tool, which included the suggested criteria, was not changed from the versions that were presented to Cabinet on 6 September.
- 4.3 Intended consultees included:
- Councillors
 - Staff
 - Partner chief executives
 - District and borough councillors
 - Voluntary infrastructure organisations
 - Parish councils
 - MPs/MEPs
 - Residents' panel
- Information about the consultation, including a link to the portal was distributed to all these groups.

- 4.4 Possibly as a result of the tight timeframe, there were few responses to the online consultation. It is also possible that potential respondents had difficulty understanding the ethical framework and tool with criteria.
- 4.5 Of the 39 people who answered the question, “Do you agree with the values and principles stated in the draft ethical framework?”, 61% either agreed or strongly agreed and 10% disagreed. Reasons for agreeing included that it appeared self-evident or common sense. However, the majority of comments expressed concern about the financial implications for council spending and using prioritisation as an approach to budget management.
- 4.6 Of the 28 people who answered the questions, “Do you agree with the criteria being used to help NCC prioritise its outcomes and resources?”, again around 61% of them either agreed or strongly agreed, while 11% disagreed. Comments in support of the proposed criteria generally said that they were fair or sensible. Negative comments included
- “All seem a bit 'woolly' and esoteric”
 - “Can be abused, and may be used against small but vulnerable members of the community”
- There also seemed to be some concern about whether this could be implemented, at all.
- 4.7 The full consultation response will be available in time for Cabinet.
- 4.8 **Overview and Scrutiny** – The proposed approach to prioritisation was the subject of a special Overview and Scrutiny workshop on 1 November 2016.
- 4.9 The Overview and Scrutiny workshop was well attended, by 17 councillors, representing all political groups on the council. Members received a presentation about the prioritisation framework and process, including the context and overall aims for the framework; the proposed approach to prioritisation; and the process for developing the framework. There was a particular emphasis on the possible content of the ethical framework and prioritisation criteria/tool.
- 4.10 Overview and Scrutiny councillors agreed, in principle that the council could benefit from adopting a systematic approach to prioritisation. However, they identified two key risks/concerns about the approach to developing and implementing it:
- Councillors were concerned that the public consultation was online only and open for too short a time to allow proper public engagement.
 - Councillors thought it would be difficult to agree workable principles and values for the ethical framework that would be agreeable to members across the political spectrum, unless these were very general or high level. Therefore, they thought such a framework would be open to too much interpretation by decision-makers, which would undermine its transparency.
- 4.11 Overview and Scrutiny councillors recommended that the council takes more time to develop the prioritisation framework. They felt that carrying out further or extended public consultation and scrutiny would achieve a more robust framework.

5. Equality Screening

5.1 Equality screening was carried out on this proposal in June 2016. It concluded that a full equality impact assessment was not required.

Reason that no EqIA is required	✓ as appropriate
The paper is for information only	
The proposal/activity/decision has no impact on customers or the service they receive	✓
The proposal impacts upon staff but the proposed staffing changes will not affect the service that customers receive*	
Other (please explain further)	✓ - amending a timetable only

Public Health & Wellbeing:

<http://www.northamptonshire.gov.uk/en/councilservices/Council/equalities/Pages/PublicHealthandWellbeing.aspx>

6. Alternative Options Considered

6.1 Alternatives considered included:

- Continuing with the original implementation timetable, which would mean obtaining approval from Cabinet to adopt the existing draft framework without further amendment.
- Revising the schedule to allow further engagement, in order to ensure the development of a robust framework and process that can be agreed by the whole Council.

6.2 Since the engagement process to date has been inadequate to enable development of a robust framework, it will be more appropriate to go with the second option and achieve a better product, as a result. It was initially thought that the framework would be available for the 16/17 council budget setting process, but this is clearly not the case. So, this delay in implementation will have no impact on the 16/17 budget, but will mean that the framework will not be ready for directorates or business areas to use in their internal budget prioritisation for 16/17 either. However, developing a more robust framework and process will allow in-year prioritisation decisions to be made with it, later in the 16/17 financial year, as well as having an effective system in place in time for the 17/18 budget setting cycle.

7. Financial Implications

7.1 No change from September - there are minimal financial implications of extending the timeframe for implementation, which will come from the cost, if any, of renting spaces to hold public engagement meetings. This can be covered within the budget in Year 1.

8. Risk and Business Continuity Management

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
Prolonging the implementation schedule would mean	Directorate budget setting would proceed as usual, while the	Amber

Risk	Mitigation	Residual Risk
directorates do not have the framework to support internal budget prioritisation for 16/17	framework is being developed and will be available for in-year variances	

b) Risk(s) associated with not undertaking the proposal

Risk	Risk Rating
Continuing with the existing timetable would result in an inadequate framework being adopted and, as a result, councillors and the public will have little confidence in it; poorer prioritisation decisions will be made, based on the framework; and prioritisation decisions will be more likely to be challenged.	Red

9. List of Appendices

None

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Background Papers:	None
Does the report propose a key decision is taken?	NO
If yes, is the decision in the Forward Plan?	NO
Will further decisions be required? If so, please outline the timetable here	NO
Does the report include delegated decisions? If so, please outline the timetable here	NO
Is this report proposing an amendment to the budget and/or policy framework?	NO
Have the financial implications been cleared by the Strategic Finance Manager (SFM)? Have any capital spend implications been cleared by the Capital Investment Board (CIB)	YES – for September Cabinet Name of SFM: Yalini Gunarajah No capital spend implications
Has the report been cleared by the relevant Director?	YES Name of Directors: Dr Paul Blantern – Chief Executive & Prof. Akeem Ali Corporate Director of People Commissioning Name of Director:
Has the relevant Cabinet Member been consulted?	YES Cabinet Member: Cllr Heather Smith
Has the relevant scrutiny committee been consulted?	YES Scrutiny Committee: Combined Overview & Scrutiny Workshop, chaired by Cllr Hakewill

Has the report been cleared by Legal Services?	YES Name of solicitor: Laurie Gould Solicitor's comments:
Have any communications issues been cleared by Communications and Marketing?	YES Name of officer: Simon Deacon
Have any property issues been cleared by Property and Asset Management?	N/A Name of officer:
Are there any community safety implications?	NO
Are there any environmental implications:	NO
Are there any Health & Safety Implications:	NO
Are there any Human Resources Implications:	NO
Are there any human rights implications:	NO
Constituency Interest:	Not applicable