



Business Plan 2025 to 2026

Preparing for the Future

PUBLICA



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I. Foreword



Frank Wilson
Interim Managing Director



Christine Gore
Chair of the Board

The last year has been the most significant in Publica's short life and since it went live in November 2017. The first phase of the Publica transition, transferring a range of largely locality-based services back to direct council management, took place on our seventh anniversary, 1 November 2024. This transition, approved by the councils in July 2024, represented the culmination of nine months' work preparing the financial modelling and readying the council structures to accept 210 employees back into council direct employment.

Publica played a significant part in ensuring that the transition went smoothly providing financial, HR, project management and managerial support to deliver the transition in an orderly manner with as little an impact on our people, performance, and council services as possible. We are pleased to confirm that services were handed back in good shape and, now that additional employees have joined these teams, we expect them to continue delivering great results for residents.

As we started to plan for the next phase of service transition, the government announced its intention to deliver the most radical change to local government structures since 1974 with the publication of The English Devolution White Paper. This offers significant new powers and resources on the back of structural change. For the Publica councils this is likely to mean groups of districts coming together to form 'unitary' councils replacing the district and county two tier structures. Consequently, 2025/26 will represent another challenging year for both Publica and its shareholding councils as we start to prepare for the future.

At the time of writing, we do not know what the councils will determine as their preferred arrangement. It is clear however, that whatever the final model, there will be significant implications for Publica and its business model. The focus of this business plan therefore, is about preparing our services and our people for a likely transition to a new operating model, whether that is back into councils prior to the establishment of unitary authorities or directly into a new unitary authority upon its formation. There remains a possibility that any new arrangements might want to retain the business model in the future, so this is something that needs early exploration with stakeholders. Whatever happens, we know the financial constraints that created the foundations for Publica will remain and delivering best value services to residents should remain a key requirement over the life of this business plan.

In addition to our work on the transition programme, we need to make sure that the services remaining in Publica maintain their focus on delivering great outcomes and benefits for residents and businesses. We have demonstrated over the last year that we can maintain great services while delivering their transition. This two-pronged approach must remain uppermost in our plans. In doing this we must also look to protect our people and prepare them for the future changes and challenges ahead – without them we are unable to deliver the services residents and businesses need.

2. Introduction: The Publica Business Plan

Publica's Articles of Association have twelve reserved matters for shareholder council approval. This makes sure that they retain the necessary control over their 'Teckal' company. Adopting or amending the business plan is one of the reserved matters.

This business plan is for one year, reflecting the transition period the partnership is currently navigating. The main purpose of this plan is to:

- Continue to focus on delivering the shareholder councils' priorities and their legacies
- Continue to deliver great, value for money services to residents and businesses on behalf of the councils
- Provide clear messaging to our people on the priorities over the next year – both pre and post Phase 2 of the Publica transition
- Acknowledge that Publica and the shareholder councils are in a 'transition period' as a result of the English Devolution White Paper
- Make sure there is a laser-like focus on planning for the future
- Continue to support our people and prepare them for change
- Remain flexible to ensure that we are responsive to opportunities



Our performance of key services across the year

PLANNING

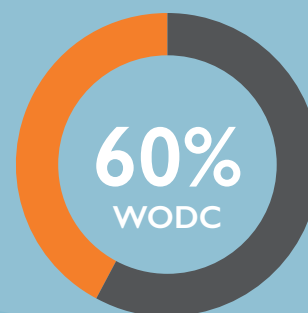
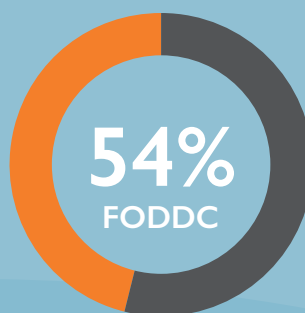
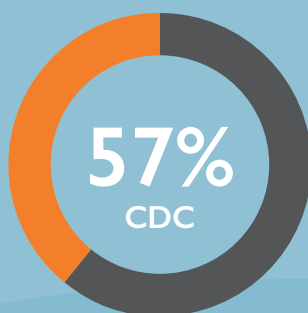
90%

90% of planning applications across the partnership are determined within agreed time limits, which is up from 87% last year

Based on an analysis of national planning performance, our partner councils are amongst the top 30 most improved councils in England

WASTE

Working in partnership with Ubico, we have delivered some of the highest recycling rates in the country - Cotswold (CDC) 57%, Forest of Dean (FODDC) 54% and West Oxfordshire (WODC) 60%



Environmental Services Innovation Programme

76,000



green licences issued

12%

reduction in missed bins
from 22/23 baseline

£1.1M



additional income
and savings

PEOPLE

Silver Award for Carbon Literacy
with more than 135 key
employees certified as
carbon literate



358

people were
nominated for a
range of Employee
Recognition Awards
in celebration of their
outstanding work

CUSTOMER SERVICE

12,437

signed up to e-billing

From March 2023, the
partnership has regularly
been in the top 10 councils
nationally for telephone
customer satisfaction

48,500



reduction in call volumes
since the last report



61,000

households use digital services to manage online council
tax, order green waste licences, and apply for and receive
benefit payments

3. The Publica Values

The Publica values will continue to help and guide us through the transition.

Authentic

We act genuinely and transparently. We do the right thing for our customers, our organisation and each other.

Modern

We are not set in our ways. We are constantly looking to find ways to innovate and do things smarter.

Flexible

We are agile - adapting how and what we do to meet the demands of our customers, our colleagues, our local communities and the needs of the modern world.

Thoughtful

We take pride in delivering a great service, taking the time to understand and care about the planet and the environment, as well as our customers and their needs.

Some of the partner councils are currently developing their own values. This is a process that Publica is actively involved with and supporting, and we welcome the opportunity that has been given to help shape these values. Whilst each council and Publica may have subtly different values, they are likely to overlap. We believe that all employees, regardless of their employer, should be happy to live by all the values that are agreed across the partnership.



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4. Our Transitional Journey

In October 2023 the shareholder councils announced that they would be moving some services back from Publica to individual authorities. It was agreed that transition of services would be phased, with Phase 1 resulting in the transfer of services which were largely locality based. The first phase of transition was completed successfully on 1 November 2024 with the majority of affected employees being transferred into the council's under TUPE. (Transfer of Undertakings (Protection of Employment rights)).

The services transferred in Phase 1 were:

Development Management including Planning Enforcement, Ecology and Conservation and Building Control	Climate Change
	Strategic Finance
Forward Planning	Strategic Housing
Democratic Services and Elections	Executive Assistants
Economic Development	Tourism
Communities and Wellbeing	Communications and Marketing

Where TUPE did not apply, affected employees applied for sovereign roles at each council and a small number of people left Publica. Gaps within the council structures have now largely been filled by external recruitment.

The councils have now prioritised the services they want to transfer on 1 July 2025 in Phase 2, these are:

- Waste Strategy and Contract Monitoring
- Leisure Strategy and Contract Monitoring
- Property and Estates
- Project Management
- Linkline and Careline Community Alarms

Work is now well underway to design and agree council structures, with Publica supporting this process. This phase of transition is more challenging than Phase 1 as many roles are fragmented and will not be subject to TUPE transfer.

This is an unsettling time for people in fragmented roles and Publica is providing both HR and

management support to teams in Phase 2. However, it is expected that the majority will secure roles in the new council structures with a clear desire from all parties to make sure that the impact is minimal on teams and employees.

The key to the success of service delivery is the continued partnership working between each council and Publica. Publica will continue to adapt to make sure that the way in which it supplies services, and the nature of those services themselves, remains flexible and can meet the changing needs of the councils.

The Impact of Local Government Reorganisation

As the councils have progressed with the transition of services from Publica, the local government landscape has changed with Devolution and Local Government Reorganisation (LGR) announced in December 2024. The councils will need to make a decision on the remaining Publica services and agree whether further phases of transition should now be aligned to LGR.

5. Delivering council priorities and effective core services

Delivering council priorities

Shareholder councils have ambitious plans to deliver their priorities which are outlined below. We are committed to delivering key projects with the shareholder councils, being flexible and agile to emerging priorities, and realising the benefits for local communities.

The councils and Publica produce annual reports which highlight progress against their priorities and key achievements. Publica's annual report is published on its website: <https://publicagroup.uk/who-we-are/business-plan-and-reports/>

Cotswold District Council	Cheltenham Borough Council	Forest of Dean District Council	West Oxfordshire District Council
Delivering Good Services	Enhance Cheltenham's reputation as the cyber capital of the UK	Thriving Communities: Resilient and inclusive communities meeting the challenges and opportunities posed by the climate and nature emergencies	Putting Residents First
Responding to the Climate Emergency	Working to achieve net zero by 2030	Decarbonisation and Nature Recovery; being on target to be carbon neutral by 2030	Enabling a Good Quality of Life for All
Delivering Housing	Delivering more affordable homes	Sustainable Economy: Economic prosperity, environmental sustainability and social well-being	Creating a Better Environment for People and Wildlife
Supporting Communities	Ensure benefits are realised from future growth and prosperity		Responding to the Climate and Ecological Emergency
Supporting the Economy	Be modern, efficient and sustainable		Working Together for West Oxfordshire

The table shows the current priorities of the four partner councils. With Local Government Reorganisation on the horizon, these priorities may change, or some may have a greater priority. These shifts are likely to materialise during 2025. Publica will be ready to respond to any changes when or if they occur.



How Publica will help deliver these priorities

Customer and Transactional Services

Improving the customer journey is at the heart of everything Publica does. Over the last seven years customer needs and behaviours have changed significantly. The pandemic, the cost-of-living crisis, advancements in technology and high-volume channel shift means that (for most of our customers) the way

in which we interact has evolved. A new Customer Service Strategy will be developed in the next year to reflect these changes and the continuing shift in customer behaviours (for example, higher service expectations and less tolerance for delay). The customer promise that resulted from extensive user research is still relevant:



Over the lifetime of the previous strategy, we have improved customer services to meet the promises we made. This is borne out by the very high levels of customer satisfaction in relation to face-to-face and telephone interactions. However, there is a disparity between the experience customers receive from Customer Services in the front office and their

experience when they deal with the back office. The emerging Customer Strategy will therefore build upon the successes in the front office but have a greater focus on back-office customer experience. This will provide more consistency for customers, reduce the need for repeat contacts, and provide a better overall experience.

Using the customer promise as our vision statement, the Customer Experience Improvement Team will work closely with back-office teams to:

- Improve digital access with a focus on self-service
- Explore automation of simpler tasks
- Expand the Publica Operating Model by redesigning processes that distinguish between triage and more expert tasks
- Put in place service and individual performance frameworks
- Make data-led decisions
- Plan the workforce around the customer, and
- Develop, publish and meet service standards

These improvement activities will be focused on Publica's core services:

- Revenues and Benefits
- Environmental Health, Food Health and Safety and Licensing
- Housing Allocations, Homelessness and Disabled Facilities Grants
- Car Park Enforcement and Administration
- Flood Risk Management and Emergency Planning
- Human Resources, Payroll and Health and Safety
- Service Support
- Transactional Finance including Treasury Management, Procurement and Insurance

These services/processes support the delivery of services for Publica and its shareholder councils, aiming to provide expert service delivery with resilience.



Information and Communication Technology (ICT) Services and Cyber Security

Our ICT service provides one of the fundamental building blocks for many of our shareholder councils' (and partners') services, including facilitating the main means by which residents and businesses access and engage with council services. We need to make sure that the ICT service remains secure and relevant to support and enable future service delivery.

Over the next year, our focus will be on strengthening ICT capabilities while maintaining a secure, efficient, and resilient digital environment. We want to make sure that strong ICT fundamentals remain at the core of our approach, including optimising network performance, managing devices effectively, and enforcing robust governance over data access, systems, backups, and business continuity.

Over the lifespan of this business plan we will focus on the following ICT priorities:

- Strengthening our cyber security capabilities
- Upgrading software to the most recent Windows version
- Supporting clients to migrate into Microsoft 365
- Migration of key systems, such as Business World, to the cloud
- Investigating AI automation
- Rolling out basic and enhanced AI models and making them available for all employees
- Support the enhancement of data integration and automation
- Maintaining a flexible service which will be responsive to and prepared for Local Government Reorganisation

Recent local government cybersecurity incidents have reinforced the importance of getting the basics right. As a result, we will continue investing in our team's knowledge, improved threat prevention, incident response, and user awareness training. This will reduce the risks to shareholder councils, Ubico and the Cheltenham Trust, and make sure that our core systems remain stable and operational for our people and customers.



A key initiative is the Windows 11 upgrade, necessitated by the end of Windows 10 support in October 2025. This transition will ensure that all devices remain secure, compliant, and aligned with industry best practices.

We are implementing a replacement helpdesk system, which will enhance service efficiency, improve user support, and provide greater visibility into operations, enabling more proactive issue resolution and resource management.

A major project in the coming year is the migration between Microsoft 365 tenants, which requires careful execution to preserve data integrity, security, and operational continuity. The first phase of this initiative will involve migrating Cheltenham Borough Homes into Cheltenham Borough Council, ensuring a seamless transition with minimal disruption.

Whilst many of our systems already reside in the Cloud, there is a trend from our suppliers to force migrations to their own Cloud/Hosted environments by changing their terms and conditions. The first system impacted by this is Business World, used by all partners, which will be moved to a hosted environment in 2025/26. This move will require the ICT teams to modify the way they work and adapt our existing systems to facilitate and support these changes.

We are committed to enhancing data integration, interoperability and automation, allowing for improved communication between systems and making sure that information is readily accessible across departments. Focusing on the improvement of our spatial data and GIS systems will support

more data-driven decision-making, improve the dissemination of information to stakeholders and streamline processes leading to operational efficiencies.

We continue to examine emerging AI technologies, analysing their ability to transform service delivery and operations. From advanced customer support to intelligent process automation, these tools could help us deliver faster, more personalised services. These potential benefits need to be weighed against the need to establish clear ethical frameworks, ensure GDPR compliance, understand the implications for climate change, and maintain transparent governance to mitigate any risks. Taking a balanced approach will allow us to harness AI's potential while safeguarding data integrity and upholding public trust. A small number of pilots are already in progress and, as the technology matures, we will deploy solutions that add value where appropriate.

As we prepare for Local Government Reorganisation, we will make sure that our infrastructure, data management, and workforce alignment are ready to support future changes. This includes making sure that systems are scalable, flexible, and capable of adapting to new operational structures, while also facilitating smooth transitions between organisations. Our approach will focus on both long-term digital transformation and immediate operational stability, making sure that services continue to run effectively throughout the transition.

By striking a balance between innovation and resilience, we will establish a secure, efficient, and future-proof digital foundation that meets the needs of Publica, shareholder councils, and our partners.

6. Preparing for the Future

The Publica review and transition to a mixed economy of council, Teckal and third-party service provision has consequences for the governance of Publica. In terms of scale, Publica is now significantly smaller, with employee numbers down by around half following the conclusion of Phase 2. Publica will, however, remain a key delivery partner for the councils, being the second largest supplier to most of our shareholding councils.

As councils progressively play a larger role in commissioning services, they will also need to invest more time in holding Publica and other providers to account. Making this change will necessitate some governance and structural changes. At operational level Local Partnerships has suggested a Client Operational Board, chaired by a lead from the councils. This will allow more transparent challenge on service performance, complementing the current arrangements through council committees.

Performance is now a key focus for the councils, both for the services they deliver directly and those commissioned from other delivery partners. Publica will continue to work with the council teams to support the design and delivery of their strategic performance frameworks. These frameworks are critical in demonstrating success against their council plans and that services are performing in an efficient and effective way.

Change on the scale experienced over the past year has a significant impact on our people, who remain our biggest asset. Whilst change brings opportunity, we need to support our people to take advantage of this by making sure that employees have the right skills and support to grow in their career. Recruitment and retention are likely to be a particular concern over the next couple of years, requiring Publica to review and enhance the way in which it attracts and retains the best people during this time of national turbulence in the local government sector.

There are clearly several factors which will shape Publica's future, and options will include closing the company before LGR, or preparing Publica to provide services to new, larger local authorities. However, with partner authorities which span two counties, there are no proposals which would see all four shareholder councils sitting within one unitary authority. The timetable for LGR provides time to consider how services and roles could be de-fragmented and aligned to individual councils giving the opportunity to mitigate cost increases to councils

in the short term whilst ensuring the retention of skills and local knowledge.

With funding being a permanent feature of any future local government landscape, there remains an opportunity for Publica (or a successor) to deliver services on behalf of the new council, whether those be of an operational, support or strategic nature. New councils will face many challenges following their creation, whether that be transforming and merging services, or scaling them to deliver outcomes on a regional scale. Unitary councils will also need to focus on their core priorities, without being distracted by restructuring support and transitional services. These challenges provide opportunities for Publica as they contrast with its core strengths of transformation and delivery of transactional and support services at scale. With its links with Ubico, Publica already has a footprint which extends across the whole of Gloucestershire, and this will create opportunities for discussions as the new landscape emerges.

Publica will work with its partner councils to:

- Understand the timelines for LGR affecting each individual council and support the process of developing structure and governance for the agreed unitary authorities
- Deliver services and projects that will leave a local legacy and prepare local communities for devolution

Shape Publica for the future by:

- Restructuring the Publica Board and Management Team to reflect the services that are retained within Publica post Phase 2 of the transition
- Reviewing options and agreeing whether Publica will align a final phase of transition of all services to LGR or alternatively whether the Publica model might benefit the new unitary authorities
- Making sure that employees retained within Publica are treated fairly and their employment is protected, as much as possible

7. Finance and Risk

Publica was established by the shareholder councils in 2017 with a business case to deliver £2.3m of annual shared service savings through the company by 2028 with cumulative cash savings of £18m by the same date. With the budget proposed for Publica in 2025/26, and the implicit savings within that budget, the annual shared service savings have reached £3.8m (80% above the target to date) and cumulative cash savings of £25.9m.

The budget for 2025/26 is shown below. No adjustments are made for the impact of the Phase 2 transition, although these are estimated within the three-year forecast that follows. Any transition impacts within the current year will be dealt with by contract variation.

	2024/25 Approved Base	Movement	Revised 2024/25 Base	2025/26 Base
	£000s	£000s	£000s	£000s
Sales				
Contract Income	33,437	(5,294)	28,143	21,731
Direct Costs:				
Salaries (Inc. on-costs)	(29,173)	5,140	(24,033)	(18,532)
Agency Costs	(30)	0	(30)	(30)
Contractor Costs	(65)	65	0	0
Employee Transport and Travel	(200)	0	(200)	(115)
Other Staff costs	(548)	(17)	(565)	(514)
Gross Surplus	3,421	(106)	3,315	2,540
Administration Expenses	(1,891)	(145)	(2,036)	(1,567)
Operating Surplus	1,530	(251)	1,279	973
Net Interest (Payable)/ Receivable	76	0	76	76
Surplus	1,606	(251)	1,355	1,049
Tax	(14)		(14)	(14)
Contract Fee Refund	(1,592)	251	(1,341)	(1,035)
Retained Surplus	0	0	0	0

Administration expenses include related party transactions with councils for office space, ICT, audit and counter fraud services.

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Three Year Forecast

This includes a provisional estimate of the impact of Phase 2.

	2024/25 Base Year	2025/26 Year 1	2026/27 Year 2	2027/28 Year 3
	£000s	£000s	£000s	£000s
Sales				
Contract Income	28,143	20,018	20,045	20,642
Direct Costs:				
Salaries (Inc. on-costs)	(24,033)	(16,931)	(16,905)	(17,412)
Agency Costs	(30)	(30)	(31)	(32)
Employee Transport & Travel	(200)	(100)	(95)	(95)
Other Staff costs	(565)	(499)	(509)	(524)
Gross Surplus	3,315	2,458	2,505	2,579
Administration Expenses	(2,036)	(1,567)	(1,614)	(1,662)
Other Operating Expenses	0	0	0	0
Operating Surplus	1,279	891	891	917
Net Interest (Payable)/ Receivable	76	76	78	80
Surplus	1,355	967	969	997
Tax	(14)	(14)	(14)	(14)
Contract Fee Refund	(1,341)	(953)	(955)	(983)
Retained Surplus	0	0	0	(0)
Average Number of Employees				

Risk Management

Publica maintains a strategic risk register which is considered regularly by its management team and the Audit and Risk Committee. This makes sure that we effectively manage the most critical risks facing Publica and its shareholders, whilst also continually scanning the horizon for emerging risks and opportunities. The key strategic risks for Publica are:

- Impact of the Phase 2 service transition on employees, including recruitment and retention challenges
- Impact of the emerging changes to local government and the viability of Publica
- Impact of the changes to the local government finance regime upon the shareholder councils financial standing
- Continued risks in respect of cyber security

There remains an opportunity that any emerging unitary authorities may wish to adopt the 'teckal' model of service provision and this could provide an opportunity for an expansion of service provision.

8. Performance Management Framework

In 2021 Publica brought the Business Information and Performance capabilities together, starting a journey to make data and performance part of the partnerships DNA. Modernisation of the capability through developing a comprehensive performance framework has been key to making Publica a more data driven, data mature organisation.

Our performance framework, led by the Performance Board, provides the partnership with a complete strategic picture of performance against service outcomes, priorities, risk and locality impact, using the most current data. Based on the five components below, the framework enhances service delivery, engages stakeholders, provides assurance and works towards achieving the councils' strategic objectives, whilst demonstrating accountability to our shareholders. Our framework is presented in the style of a Balanced Scorecard, using metrics and

measures associated with our processes, people, customers and finance.

The framework has already delivered a number of benefits to the organisation, which are demonstrated by the leap in the LGA's Data Maturity Assessment from Basic to Advanced. Despite good progress being made, this is not the end of the journey, there is still more to do in terms of supporting contemporary, accurate and simple insights to our employees, managers and commissioners.





Whilst Publica continually strives to improve its capability, shareholder councils are also introducing their own locality frameworks to provide them with tailored assurance that they are delivering on their priority projects and that their own services and those of their Teckals are performing as commissioned. Supporting different locality frameworks will be a key challenge for the year ahead, requiring Publica to strike a balance between the “build once and use many times” philosophy which delivers efficiencies of scale for the shareholder councils, and an increasing focus on locality through bespoke metrics and processes. Our first attempts at developing local frameworks have been positive, with a recent LGA Peer review in October 2024 recognising that “The council has good arrangements in place to review the effectiveness of service delivery.”

An important output of this business plan will be a detailed action plan, designed to cover the important projects and service outcomes delivered by Publica, whilst also being responsive to a rapidly changing local government landscape from which council priorities and needs will emerge.

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