

Confidential (Part)
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Shared Services Business Plans 2020/21

Meeting/Date: Overview and Scrutiny Panel (Performance and Growth) – 4th March 2020
Cabinet – 19th March 2020

Executive Portfolio: Executive Councillor for Corporate Services – Councillor D N Keane

Report by: Corporate Director – People, O Morley

Wards affected: All

Executive Summary:

Shared Services have been in existence for almost five years. All Shared Services are extensively engaged in developing the use of technology to deliver greater business efficiency and effectiveness. All the 2020/21 Business Plans look towards transforming the services to deliver against the councils' needs by demonstrating flexibility and agility, while at the same time harmonizing the way the partner councils operate.

The Business Plans must be formally endorsed by the three partner councils. Consequently, it is recommended that the Shared Services Management Board is authorised to approve any final amendments to the Business Plans in line with the comments received from the partners.

Recommendations:

The Cabinet is

RECOMMENDED

- 1) to approve the Business Plans for each of the Shared Services attached as an Appendix hereto; and
- 2) to authorise the Shared Services Management Board to approve final amendments to the Business Plans in line with comments received from all three partner councils.

1. PURPOSE OF THE REPORT

- 1.1 In accordance with the terms of the Shared Services Agreement, to endorse the Shared Services Business Plans 2020/21.

2. BACKGROUND

- 2.1 In July 2015, Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils approved a lead authority model for shared services, where an agreed lead council would be responsible for the operational delivery of a service. Business cases for individual services were approved at the same time. It was further agreed that relevant staff would transfer to lead councils under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

- 2.2 The partner councils have agreed the following shared services objectives:

- Protection of services which support the delivery of the wider policy objectives of each council.
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
- Savings through reduced managements costs and economies of scale.
- Increased resilience and retention of staff.
- Minimise the bureaucracy involved in operating the shared service.
- Opportunities to generate additional income, where appropriate.
- Procurement and purchasing efficiencies, and sharing of specialist roles which individually, are not viable in the long-term.

3. ANALYSIS

- 3.1 In 2015 the three councils entered into a formal sharing Agreement. There followed a considerable amount of work to develop staffing structures, working practices and service parameters. The formal Agreement requires the preparation of individual business plans for the services each year. The Business Plans contain key priorities, objectives, activities, financial information, measures of success and risk mitigation arrangements.

- 3.2 The Business Plans contain performance information to the point in the year that they were produced. The Shared Services Management Board monitors performance on a quarterly basis. The Annual Report will contain a comprehensive appraisal of performance and will be published in June / July.

4. COMMENTS OF OVERVIEW & SCRUTINY

- 4.1 The Panel received the Shared Services Business Plans 2020/2021 at its meeting on 4th March 2020.
- 4.2 Whilst discussing the Legal Service's successful litigation cases for April to September 2019, a comment was raised that a more robust target than 80% was expected considering the success rate exceeded the target by 17.8%. It was explained the target was set at 80% to allow for those cases where the outcome is not clear cut. It was noted that the targets were set at the start of the process and will be reviewed going forward.
- 4.3 Concern was raised that ICT outages have a knock-on effect for other services in particular the Legal Service, as highlighted in their Business Plan. It was recognised that Legal has been disproportionately impacted owing to the technical architecture of systems that they rely on. Focused work has taken place with legal to address these issues. Whilst the issue is recognised, it should be noted that billable time remains above target for legal services.
- 4.4 Following a question in relation to concerns raised last year about the way satisfaction levels for the Legal Service were calculated, the Panel was informed that satisfaction levels are now calculated as per industry standard and that every customer is contacted directly with a request for feedback. In addition, the Intelligent Client function provides services with an opportunity to raise or escalate issues which are then discussed with Legal.
- 4.5 A discussion on vacant posts in the Legal Service ensued and it was explained that market forces are affecting recruitment; however, using paralegals and trainees is now being considered, and a review of workforce planning will form part of the Legal audit referred to in the Business Plan.
- 4.6 A Member asked if the cost and impact of ICT outages upon the various divisions have been calculated. It was explained that minimising service impact is always the primary consideration of any disruption, but the number of systems means it can be difficult to calculate, as outages are generally, although not always, limited to individual systems and Officers can still work. It is something 3C ICT is continuing to work on by seeking to drive up availability of systems as high as possible and in partnership with other services through the decisions those services make about the systems they need to use.
- 4.7 Concern was raised regarding the risk associated with currency fluctuations and the impact on costs. As the Business Plan states, many IT costs are now billed in dollars as revenue items. Currency fluctuations are therefore considerations that it is necessary to be aware of, but they are not within our direct control. Where there is greater control is over the number of systems in use, and the number of licenses needed for these. Rationalising systems and ensuring all licenses are strictly necessary is an approach that is already underway. It will remain the key mechanism for reducing exposure to currency fluctuations.

4.8 A Member questioned the resilience of the ICT Service in the event of a pandemic flu virus such as the Coronavirus becoming more widespread. The Panel was informed that a level of risk had been considered in terms of staff downtime and face to face contact with residents and there are business continuity plans ready. In terms of maintaining back office functions, through the Council Anywhere project the Council is well placed to cope with widespread pandemic flu, as the majority of Officers have the ability to work from home and access all the software they require.

4.9 Concern was raised that out of hours cover arrangements, particularly those which involve an outage, rely too heavily on the good will of staff and that the arrangements should be formalised. Members were reassured that work has been done to ensure that the need for out of hours support is minimal but that there is sufficient support when required. These arrangements are under review and will be reassessed where the evidence indicates there is a need to do so.

5. KEY IMPACTS / RISKS

5.1 The activities and their impact on the partner councils together with risks associated with each of the services appear within each of the Business Plans.

6. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

6.1 The Business Plans will be implemented within each Shared Service during the year 2020/21. The Head of each Shared Service will be responsible for the overall operation of their service, the delivery of the Business Plan and the achievement of performance and financial targets. These will be monitored by the Shared Services Management Board.

7. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

7.1 Shared Services support the priority of becoming a more Efficient and Effective Council.

8. CONSULTATION

8.1 Lead Members at each of the partner councils have been consulted. Their role is to provide advice and oversight, to challenge and recommend for endorsement the Shared Services Business Plans and Budgets. Equally, each of the Shared Services have consulted with the partner councils' management teams and with their customers. Details are contained within each of the Business Plans attached.

9. IMPLICATIONS

9.1 There are no significant implications.

10. REASONS FOR THE RECOMMENDED DECISIONS

- 10.1 The Shared Services Agreement requires business plans to be approved every year. The Business Plans ensure the services adhere to the original objectives and contribute towards the partner councils' strategic objectives.

11. LIST OF APPENDICES INCLUDED

Appendix 1 – 3C Legal Shared Service Business Plan 2020/21.
Appendix 2 – 3C ICT Shared Services Business Plan 2020/21.
Appendix 3 – 3C Building Control Shared Service Business Plan 2020/21 (Restricted).

12. BACKGROUND PAPERS

None.

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