



2019/20 Annual Report

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3C Shared Services is a strategic partnership between Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council

VERSION 1.0

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Section 1 - General Information

- 1.1 Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council commenced sharing Legal, ICT and Building Control services in October 2015. The formal Agreement between the authorities contains a requirement that an Annual Report is prepared on the services' activities and performance.
- 1.2 As also required by the Shared Services Agreement, the performance of the shared service performance is overseen by a governance structure, comprising a Shared Services Management Board (containing the lead directors from each authority), a Chief Executives' Board and 3C Joint Shared Services Group (comprising of the leaders of each of the Councils).
- 1.3 The 2019/20 business plans for the Shared Legal, ICT and Building Control services were approved by Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council in Spring 2019. The business plans provide information on the priorities, key performance indicators, budget profiles and development projects.
- 1.4 All the services have Senior Managers who ensure the services have appropriate plans in place that are aligned to deliver against the priorities of the three partner authorities.
- 1.5 The Shared Services Agreement for the 3C services has been in place since 2015 and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements. Section 5 of this Report outlines the key variations proposed for the new Agreement.

Section 2 - 3C Legal Shared Service Annual Report 2019/20

2.1 General Information

- 2.1.1 Significant changes have been made in operations over the past year, including finalisation of the consumption-based model which was formally implemented on 1st April 2020.
- 2.1.2 The Practice has developed access to a greater range of preferential rates to achieve better value for partners where external specialist support is required, for example in new commercial projects.
- 2.1.3 The Practice has also developed its role in provision of advice at earlier stages in development through groups such as the City Council's Quality Assurance Group, SCDC's Investment Governing Board and Investment Selection Team, and 3Cs Information Security Group. This has proven more efficient in identification of pragmatic solutions to issues at the earliest possible stages.
- 2.1.4 The Practice has continued to develop the role of the intelligent client across the partner authorities to deliver effective legal services and add value. Where it has been necessary to procure external expertise to provide legal support on matters, the intelligent client role is one where the Practice will work with the client to understand that need and source the most appropriate and cost-effective advice from the marketplace.
- 2.1.5 As a national issue public sector legal recruitment remains generally challenging. Work to increase the attractiveness of the package and use of underpinning technology and flexibility through Council Anywhere has led to increased number of interest in vacant posts and careful management of resources and activity has kept the service within the planned budget parameters.

2.2 Financial Performance

- 2.2.1 The Outturn for 2019/20 is as follows:

	Budget £	Actual £	Variance/Outturn £
Legal	1,110,330	1,143,300	32,970 (deficit)

Council	Budget £	Hours Consumed	Actual £
CCC	601,911	8868 (45.98%)	525,689
HDC	205,855	4630 (24.00%)	274,392
SCDC	302,564	5790 (30.02%)	343,219

- 2.2.2 The outturn for 2019/20 is £1,143,300 against a budget of £1,110,300. The overall 2019/20 3C shared legal budget includes a savings target of £119,100.

The total savings target was formed by rationalising resources and supplies by £40,750 and increasing the income target by £78,350.

- 2.2.3 Performance against the income target of £280,760 for 2019/20 has seen income of £242,058 delivered. The deficit is as a result of a fall in income in February and March 2020 due to a decrease in mainly planning and court fees relating to the impact of Covid-19. This has contributed to the overall deficit £32,970 which is shared between partners.

2.3 Service Performance

- 2.3.1 Staff productivity achieved 94% on a target of 90%. The target hours for the Practice have been exceeded by 898 hours in simple terms. This has continued to build on the upward progression made last year.
- 2.3.2 The success rate in litigation was 83% on a target of 80%. The figures remain extremely encouraging and work currently underway with the client (developing the intelligent client role) will seek to build on this. HDC has a comparatively high number of cases in relation to debt recovery and parking prosecutions. Work is well underway to seek to enable the client to process more routine paperwork /activity on these matters which is a more effective mechanism for interfacing with court/public.

2.4 Customer Feedback

- 2.4.1 Client Satisfaction for the year is 97% satisfaction. This is based on feedback from 174 responses received. Feedback forms are sent to each client at the end of every matter. It does remain the case that the response rate of 37% is not as high as we would like. With ongoing liaison with audit the Practice will look at ways of improving on the return figure and targeting specific client feedback in a more focused manner.
- 2.4.2 Working with clients through regular liaison meetings encourages feedback and interaction in addition to the client satisfaction surveys. These are available to clients at every level of the Practice and regular meetings are something which have been increasingly developed across the Practice over the last 12 months. By listening to clients concerns and feeding back any areas where they can assist the Practice (through improved instructions/processes for example) the work of the Practice has become much more client focused.
- 2.4.3 Working closely with the client in relation to commissioning of external work and the way instructions are provided to the Practice has been extremely positive in improving efficiency and reducing costs. Regular meetings now take place with the client at all levels of the Practice. Examples would include participation in the Property Selection Team at SCDC whereby input is provided at the outset in relation to potential acquisitions. In this way when it does move to the stage of the Practice taking forward any property work a focused and considered set of instructions can be provided by the client already assisted by legal input to enable matters to be progressed at speed. Legal involvement in the Quality Assurance Group at CCC similarly enables legal input at the outset of projects making any legal involvement later on

more efficient and focused. The quarterly intelligent client meetings held between the Head of Practice and other senior officers provide a similar function.

2.5 Looking Forward

- 2.5.1 In terms of the year ahead the Practice recognises the challenge posed by the CV19 pandemic. The response of the Practice to the changed working conditions has been excellent. The flexibility of working arrangements already in place for the Practice and built upon by the roll out of Council Anywhere has allowed the continued performance of the Practice against its KPI's. The reinforcement provided to the opportunities afforded for client and internal interaction via the Teams facility has been enormously positive.
- 2.5.2 For client interaction the ability to share and work on documentation on screen while video calling on Teams enhances the effectiveness of meetings. It is also far more efficient in removing travelling time, focusing meetings and even allowing additional input from staff not present at the outset of a meeting as required.
- 2.5.3 There is currently underway a review of the Practice by the Shared Internal Audit Service. This is part of ordinary business but will be extremely helpful in informing any changes to process/systems that the Practice needs to make. The consideration by audit will be used to inform a wider consideration of the Practice and its future direction during the year.

Section 3 - 3C ICT Shared Service Annual Report 2019/20

3.1 General Information

3.1.1 2019/20 has been a year where the focus has been on delivery of key projects, including the rollout of Council Anywhere, completion of the Server Room Consolidation, migration to an entirely new network (Eastnet) as well as the implementation of the new Orchard and Yotta Alloy systems. The impact of the Covid 19 crisis in March 2020 forced the Councils and 3C ICT to work in an entirely new way in a very short space of time. The fact that this was possible and has been as successful as it has been is in large part due to the work of the various projects in this and previous years that have provided new infrastructure for the Councils at almost every level, from Network, San, Server and Application.

3.1.2 Financial targets for the year have broadly been achieved with underspends in most areas. Some exceptional events, including the migration to Eastnet and the Covid 19 crisis have impacted on service levels at particular points in the year but overall delivery has been maintained in line with agreed SLA's. The mid-year improvements and gains made with Service desk and Service request backlogs could not quite be maintained due to the exceptional events, but it has proven that process improvements can deliver the expected outcomes.

3.1.3 The number of applications supported by 3CIC across the councils has reduced to 130 from a starting point of 284 reducing both duplication and overheads. 3C ICT to work with the Intelligent Clients of the three councils to ensure there are formal agreed priorities in place to ensure there is clarity on all sides on how the finite 3C ICT resource is being tasked.

3.1.4 All three Councils achieved Public Services Network compliance at various times during the year and work is underway to repeat this process on an annual cycle. As the Councils now share an infrastructure and key applications such as Office 365 3C ICT will work with the Cabinet Office to understand what is necessary in order to allow for a joint PSN submission in the future as this will streamline the testing and submission process and lead to further efficiencies.

3.1.5 Following a period of challenging recruitment for a new Information governance Manager, the decision was made to re-evaluate the IG Manager role. Following the completion of that process an external recruitment campaign was successful and a permanent appointment made. Further recruitment of the one remaining vacancy will bring the team up to strength for the first time and enable them to fully engage with services with regard to all areas of information management and governance.

3.1.6 In summary the service has:

- Delivered agreed savings over the pre-shared service position.

- Delivered Council Anywhere to all staff across three Councils including 1429 new devices which is greater than the scope that was agreed at the beginning of the project.
- Migrated 50 sites and 5 firewalls to the new Eastnet network
- Implemented shared systems for planning and for Waste as well as many Digital improvements including new online payments systems, updated the web sites to conform to the latest accessibility standards and new cookie management system to ensure compliance to GDPR.

3.2 Financial Performance

3.2.1 The provisional outturn position for 2019/20 is recorded in the table below:

	BUDGET	FORECAST OUTTURN	VARIANCE
CCC	3,044,586	3,007,092	- 37,494
HDC	2,176,223	2,189,141	12,918
SCDC	1,429,986	1,365,549	- 64,437
	6,650,795*	6,561,782	- 89,013

*These figures includes an overspend agreed by the board to meet the Council Anywhere contract requirements

3.2.2 The overall provisional financial outturn demonstrates a saving over the budget. The financial reporting is based on re-profiled business case approved in February 2018. Partners are paying less for their ICT service under 3C ICT overall there has been an underspend against the baseline. This is despite a number of challenges throughout the year, particularly in relation to staffing.

3.2.3 In 2019/20 bids were approved in City & SCDC to 'level-up' the funding for the 3C ICT Digital Team to equivalence with HDC. This additional funding will put the digital team on a sustainable footing in order to ensure it can support the transformational work being organised by the respective transformation programmes and prioritised by the 3C Digital Steering group, and to ensure the growing remit of the 3C Digital Team is adequately resourced.

3.3 Service Performance

3.3.1 In terms of KPIs (Key Performance Indicators) – of the 8 official 3C ICT KPIs, 6 are performing at or above agreed targets, one is within 8% and the last one (projects) whilst it hasn't been met it has been reviewed thoroughly to ensure resources are aligned to the priorities of the Councils. The role of the Intelligent Client's has been crucial to this work and we are already seeing improvements in terms of feedback and engagement.

3.3.2 Challenge has remained in the form of the technical issues causing unwelcome and significant disruption to the Councils at key times. This balanced with the drive to deliver across a wide range of projects has stretched the service significantly, however there is now stable management

in place with the full time Deputy Head of IT for Operations providing the day to day leadership of the service and supplementing the strategic leadership of the Head of IT in her shared role with County & Peterborough. It should be noted that there has been some turnover of other roles in the Council with the long-time Development Manager leaving the service. That change has led to a review of the function with the service and the post has been reviewed and re-evaluated as a Strategic Portfolio Manager which will ensure that needs and requirements of the Councils are understood and managed effectively through to delivery against agreed priorities.

- 3.3.3 3C ICT remain committed to working closely with the authorities both individually and collectively to managed those priorities and also to identify risk, and to support the authorities' overall risk appetite by providing options around effective management of risk and realigning risk from more physical ways of working. This is particularly relevant given that all three councils are pursuing a technology forward strategy, which will continue to increase their reliance on technology.
- 3.3.4 A review of key processes has been undertaken including the way in which Priority 1 incidents are handled, investigation of root causes of incidents that have high impact and urgency. This has changed the way in which Incidents are escalated to management and more appropriate responses for faults that are affecting key services.
- 3.3.5 All three authorities rely on all the services and systems being operational virtually 24/7. In the past twelve months there have been some specific times when service availability has fallen below what the ICT service aspires to achieve however overall availability is above target and showing the improvements from the various infrastructure projects. Frequency and duration of service interruptions have declined markedly alongside the introduction of new services such as Council Anywhere, revised infrastructure and further adoption of cloud services e.g. office 365. There have been on occasion incidents that have occurred where the improved resilience has been 'used in anger' This provides assurance at a technical and business level that the time and investments made are justified.

3.4 Customer Feedback

- 3.4.1 KPI 1 Customer Satisfaction with 3C ICT as measured by receipt of both unsolicited (complements, complaints and comments) and solicited feedback (feedback requests for all resolved calls and quarterly surveys), has remained about target throughout the year, averaging just over 90% satisfaction despite some service outages.

3.5 Project Performance

- 3.5.1 **Council Anywhere** - The Council Anywhere project, now fully rolled out, was the largest area of work and focus during 2019/20 with a dedicated delivery team managing the rollout of mobile devices to staff across all three Councils as well as the migration of all email and calendar to Office 365. The project included training and user awareness session to ensure that the end user of the devices had the skills and confidence to utilise the technology that is now

available to them. This project has driven not only technology changes but also organisational change and streamlined ways of working. The Eastnet and Server Room Consolidation projects removed some of the last remaining areas of legacy technology within the Infrastructure and the implementation of new business systems allowed the Councils to move away from legacy systems that had proved problematic and provided a set of technology components that allow the Councils to work in a completely different way, which has been vital in their response to the Covid 19 crisis.

3.5.2 **Eastnet** - Without question this is the most complex and wide-ranging infrastructure project undertaken by 3C ICT with touchpoints of every physical building, user device and applications. The most significant and impactful part of this project was the firewall migration in December which was implemented against a backdrop of an impending election and a drop-dead date for termination of service at the end of the calendar year. As has been well documented, this migration was extremely problematic and issues during and after the cutover had a detrimental effect of service availability for all three Councils that required extensive remedial work in the aftermath, which has been the subject of a lessons learnt exercise incorporating feedback from services across all three Councils as well as 3C ICT. Other work in the project has included migrating of almost all physical buildings to the new network with <5 remaining at the end of year.

3.5.3 **Consolidated Server Room & Shire Hall Data Centre Move** – The former project was completed within 2019/20 with all major services migrated to the new environment. Small areas of work remain which, with agreement from the Councils are being picked up as separate items. The new environment is split across two data centres, with one in Pathfinder House in Huntingdon and the other in Shire Hall in Cambridge. The move of the County Council from the Shire Hall site in 2020 has necessitated the move of that Data Centre which will be relocated to purpose-built space in Peterborough City Councils HQ Sand Martin House. A project has been initiated for that and planning for the move is well underway.

3.5.4 **Service Systems** – A number of systems have been worked on during the year including:

- **Waste Services Implementation** – Shared Waste services went live with Yotta Alloy with the project now putting the resources to the planned HDC implementation.
- **Environmental Health System** – Procurement process was completed after an extended and sometimes difficult process with the supplier. Discovery, design and implementation underway is now underway. ICT worked closely with the IC's to ensure clarity and agreement around the requirements and scope of the implementation which mitigated further delays.
- **Shared Planning** – This Complex project completed in 2019/20 and also was the first big test of the underlying application delivery technology developed as part of Council Anywhere. This enabled the simultaneous delivery of software to 100+ devices avoiding the need for individual installation and set-up. This is technology that will be able to be re-used many more times going forward.

3.5.5 **Digital Platform**

The 3C ICT digital team have continued to deliver across multiple streams of work guided by the Intelligent clients and digital steering groups. This includes work for all three councils, such as the implementation of cookie management, as well as work for individual councils such as integrations between the Digital Portal and systems such for Waste and Revs and Bens, updates and migration of websites

3.5.6 **The long awaited Unify upgrade at City was completed in Q3** – Issues with the suppliers understanding of their own solution and the technical complexity of the system required several attempts on the part of the supplier with extensive support from 3C ICT and the service area. This also had a negative impact on the rollout of CA at City. Notable that the Unify Telephony system has also been problematic for several key stages of the migration to Eastnet, adding cost and risk as well as delaying delivery of the new and improved services from MLL.

3.6 **Looking Forward**

3.6.1 Alongside ongoing delivery of the agreed roadmap, new service system implementation and further rationalisation of systems, the team is also focussing on how the 3C ICT Service can support the Councils in further harmonisation and on prioritisation of different IT categories with partner councils to help underpin future efficient delivery.

Section 4 - Building Control Shared Service Annual Report 2019/20

4.1 General Information

4.1.1 3C Building Control was set up in October 2015 with the following 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.

4.1.2 When creating the shared service, the priorities were to improve capacity by expanding the skilled team with management arrangements that enabled resources to be deployed effectively and efficiently, the adoption of best practices and processes and to improve recruitment and retention in local authority building control services.

4.1.3 This Annual Report reflects progress against the Business Plan for 2019/20. The Plan contained detailed service information and was approved at partner committees in March 2019. Given the commercial nature of the service, only limited information has been included in this public report.

4.2 General Progress

4.2.1 Recruitment has again been successful with four new team members appointed, one senior, one surveyor, one apprentice assistant and one technical support officer. This is to replace a senior who gained promotion to another Council, one support officer who retired and planned recruitment into vacant positions.

4.2.2 The service review is underway. Although the impact of Covid-19 has caused a delay in implementation it has also provided a real opportunity in respect of transforming the service needs in respect of ICT and accommodation. The service proportions set for fee earning and non fee earning for the financial year 2020/21 have been reviewed.

4.2.3 The team continues to improve its processes. The majority of applications are now submitted electronically, and the service incorporates fully digital processes. There is now a planned programme of scanning of live historical files in the second quarter of 2020/21.

4.2.4 With regard to its marketing activities, the service nominated a number of schemes for the Local Authority Building Control (LABC) National Building Excellence Awards 2020, however it is likely these may not continue this year based on the impact of Covid-19. The service was also selected as a finalist in the LABC Annual Awards 2019/20 for the best Shared Service. Again, the

impact of Covid-19 has delayed the final of this award and it may not continue this year.

- 4.2.5 In terms of the recognition received by staff during the year, the team were finalists in the Association for Public Service Excellence Awards 2019 for the Best Construction Team for the second year and the team also won Silver in the coveted iESE Public Sector Transformation Awards in March 2020 for the Working Together category.

4.3 Financial Performance

- 4.3.1 The outturn position for 2019/20 is recorded in the table below:

£	Budget	Actual	Variance/Outturn
3C Building Control	1,858,273	1,701,940	-155,270

- 4.3.2 It is a requirement that each Council contributes to the non-fee earning account for all statutory works for which the service is unable to charge.

- 4.3.3 The service is forecasting an increase in the deferred income.

4.4 Service Performance

- 4.4.1 Building Control had eight Key Performance Indicators for 2019/20 ranging from acknowledging and determining applications to customer satisfaction levels. These KPIs form part of the quality management system adopted by the service.

4.5 Customer Feedback

- 4.5.1 For 2019/20 the Building Control Partnership has been collating data on the percentage of customers who overall have rated the service as good and above. A KPI target has been reported on throughout the year. The service distributes customer satisfaction surveys to all customers, including those who submit regularisations. This is captured via an online questionnaire. Returns are generally positive. An interim target of 75% has been exceeded with an actual rate of 86% satisfaction. Some areas have been identified for improvement, which the service reviews and actions if appropriate.

4.6 Key Projects

- 4.6.1 Building Control completed three of the six projects identified in 2018/19 Business Plan.

- 4.6.2 Those completed projects included the development of the professional and business development team, implementing the ISO 9001: 2015 quality management system across the partnership and developing a marketing and

communication strategy for the service. These projects are now business as usual.

- 4.6.3 The following projects are still underway, a full review of the ICT infrastructure to maximise effectiveness of the team and enable agile working. This interlinked with other workstreams including change management and implementing a digital service. The Council Anywhere project and new equipment has transformed the service along with a fully digitised records and management system.
- 4.6.4 Various workstreams have been identified to unlock the commercial potential of the team. These include providing energy, sustainability and climate change advice, clerk of works service and peer reviews in other Councils. The service also provides inspection cover to another adjoining Council.

Section 5 - 3C Partnership Agreement Renewal

- 5.1 Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils have been sharing ICT, Legal and Building Control services since 2015. The Shared Services Agreement has been in place since then and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements.
- 5.2 The proposed changes to the agreement are outlined in the following paragraphs.
- 5.3 The current agreement expiry date of 30th September 2020 will be amended to 30th September 2025
- 5.4 References to the Data Protection Act are updated in line with current legislation.
- 5.5 The Agreement contains the original Principles of Collaboration and these are considered still to be sound. However, it was felt that the services required a stronger strategic vision. The general objectives of the Shared Services will therefore be updated as the following:
- To operate in partnership and support the objectives of the 3 Councils.
 - To inform the strategic direction of the authorities through the provision of guidance and advice.
 - To act as a catalyst of business change that promotes the transformation agenda of the 3 councils.
 - To provide further enhancement of services which support the delivery of the wider policy objectives of each Council.
 - To simplify and work harmoniously between services and authorities to deliver a more seamless, planned and predictable end-to-end service, which effectively delivers outcomes to residents.
 - Ongoing delivery of services that are genuinely shared, where appropriate, 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.
 - To help identify and support the realisation of savings within the organisations where current ways of working do not maximise the opportunities for efficiency and effectiveness, within your areas of influence.
 - To deliver savings through, but not limited to, drivers of costs, reduced overhead costs and economies of scale.
 - Increased resilience through the recruitment and retention of high calibre staff by delivering greater succession planning and reduce reliance on the external recruitment market.
 - Minimise the bureaucracy involved in operating and interacting with the shared service.

- Pursue opportunities for working with new partners where the opportunity to generate additional income or deliver significant operational or strategic benefits to the authorities exists.
- To pursue procurement and purchasing efficiencies between partners and where appropriate beyond the organisations.
- Sharing of specialist roles which individually, are not viable in the long-term.
- To deliver a customer focussed service, which has the understanding and meeting of customer needs at its heart
- To operate in a transparent way on an individual council basis in relation to financial and operational performance and reporting. To work towards harmonised arrangements in these respects during the life of the Agreement.
- To adopt as a minimum a quantitative performance management culture – one that takes into account the perspectives of residents, staff, shared services, the 3 councils and elected Members.

5.6 The Governance arrangements are being updated to ensure the services each fulfil the three councils' requirements of them and are resilient, the remits of the various aspects of the Shared Services governance structure have been reviewed. There is clear responsibility for:

- considering and making recommendations on strategic direction.
- recommending early decisions on strategic matters.
- having advance sight of materials to be submitted to Council Executives and formal meetings.
- identifying recommendations for the three authorities when additional resources are required, and
- reviewing performance and operational matters in relation to any of the services.

5.7 The three services are now operating on a Business as Usual basis, so it is safe to streamline the governance arrangements to an appropriate level. To this end, the remits of the various aspects of the Shared Services governance structure have been amended to ensure they are efficient and effective going forward. The revised remits appear in the Schedules to the new Agreement. Within this arrangement the Joint Shared Services Group has political oversight of the Shared Services and will be responsible for receiving the individual services' Business Plans and Annual Reports. This will obviate the need to subject these documents to the three councils' formal decision-making processes.

5.8 The Schedule 5 references to Cost Share calculations are updated in line with S151 Officer agreement.

5.9 New Exit Provisions will be added to the Agreement.

5.10 Schedules 6 and 7 referring to issues such as the post establishment restructure and the list of staff originally transferred into the 3Cs services under TUPE will be deleted.