



# Shared Services Joint Committee

## Agenda

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**Date:** Friday 27th November 2015  
**Time:** 2.00 pm  
**Venue:** Committee Room 1 - Wyvern House, The Drumber, Winsford, CW7 1AH

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The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

### **PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT**

1. **Apologies for Absence**

To note attendances, substitutes, and any apologies for absence.

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

Members of the public are entitled to address the Joint Committee on reports contained within the agenda. One person can speak in support of each item, and one against, with a limit of three minutes each. It would be helpful if any person wishing to speak would give prior notice to the Democratic Services Officer named below.

4. **Minutes of Previous meeting** (Pages 1 - 6)

To approve the minutes of the meeting held on 2 October 2015

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For any apologies or requests for further information, or to give notice of a question to be asked by a member of the public

**Contact:** Rachel Graves  
**Tel:** 01270 686473  
**E-Mail:** [rachel.graves@cheshireeast.gov.uk](mailto:rachel.graves@cheshireeast.gov.uk)

5. **Shared Services Mid-Year Performance 2015-16** (Pages 7 - 40)

To consider a joint report of the Chief Operating Officer, Cheshire East Council and the Head of Finance, Cheshire West and Chester Council on the mid-year position for the remaining Shared Service, including both financial and non-financial performance

6. **Occupational Health Unit - Procurement of Occupational Health Services 2016** (Pages 41 - 44)

To consider a report of the Head of Professional Services, Cheshire West and Chester Council, on the procurement of Occupational Health Services

7. **Shared Services Project Update.** (Pages 45 - 50)

To consider a joint report of the Chief Operating Officer, Cheshire East Council and the Head of Finance, Cheshire West and Chester Council on the progress being made on key change projects within the Shared Service arrangements between Cheshire West and Chester Council and Cheshire East Council

8. **CoSocius Service Reviews** (Pages 51 - 74)

To consider a joint report of the Chief Operating Officer, Cheshire East Council and the Head of Finance, Cheshire West and Chester Council on the progress being made in the delivery of the Service Review programme

9. **Update on the Implementation of Shared Service Arrangements to provide ICT, HR and Finance Services to both Authorities** (Pages 75 - 80)

To consider a joint report of the Chief Operating Officer, Cheshire East Council and the Head of Finance, Cheshire West on the progress made in regards to the programme of work required to deliver the establishment of a Shared Service for the delivery of ICT to be hosted by Cheshire East and the establishment of a Shared Service for the delivery of HR & Finance hosted by Cheshire West and Chester

Minutes of a meeting of the **Shared Services Joint Committee**  
held on Friday, 2nd October, 2015 at Room G2 - Wyvern House,  
The Drumber, Winsford, CW7 1AH

## **PRESENT**

Councillors D Brown, JP Findlow, P Groves, P Donovan, A Claydon  
(substitute for Cllr D Armstrong) and L Gittins

### **Officers**

#### Cheshire East Council

Peter Bates, Chief Operating Officer

Jackie Gray, Corporate Manager, Business Intelligence and Data

Suzanne Antrobus, Legal Team Manager Commercial Projects and Property

Rachel Graves, Democratic Services Officer

#### Cheshire West and Chester Council

Mark Wynn, Head of Finance

Samantha Brousas, Head of Professional Services

Eric Burt, Health and Safety Manager

Karen McIlwaine, Senior Strategic Legal Manager

Aron Thomas, Programme Manager

Clare Jones, Finance Manager

### **Councillor in Attendance**

Councillor E Moore-Dutton

## **1 APPOINTMENT OF CHAIRMAN**

It was moved and seconded that Councillor D Brown be appointed as Chairman of the Shared Services Joint Committee for the ensuing 2015/16 Municipal Year.

### **RESOLVED:**

That Councillor D Brown be appointed Chairman of the Shared Services Joint Committee for the ensuing 2015/16 Municipal Year.

## **2 APPOINTMENT OF VICE CHAIRMAN**

It was moved and seconded that Councillor D Armstrong be appointed as Vice-Chairman of the Shared Services Joint Committee for the ensuing 2015/16 Municipal Year.

### **RESOLVED:**

That Councillor D Armstrong be appointed Vice-Chairman of the Shared Services Joint Committee for the ensuing 2015/16 Municipal Year.

### 3 MEMBERSHIP

The membership of the Shared Services Joint Committee for the 2015/16 Municipal Year as set out below:

Cheshire East Council:

Councillors David Brown, J Paul Findlow and Peter Groves

Cheshire West and Chester Council:

Councillors David Armstrong, Paul Donovan and Louise Gittins

#### **RESOLVED:**

That the membership of the Shared Services Joint Committee be noted.

### 4 APOLOGIES FOR ABSENCE

Apologies were received from Councillor D Armstrong.

### 5 DECLARATIONS OF INTEREST

Councillors David Brown declared an Outside Body Interest as an appointed Member of the CoSocius Shareholder Board.

### 6 PUBLIC SPEAKING TIME/OPEN SESSION

No members of the public were in attendance and no questions had been submitted prior to the meeting.

### 7 MINUTES OF PREVIOUS MEETING

#### **RESOLVED:**

That the minutes of the meeting held on 27 March 2015 be noted.

### 8 SHARED SERVICES PERFORMANCE OUTTURN 2014-15 AND BUSINESS PLAN REVIEW 2015-16

The Committee considered a summary of the outturn position for the remaining Shared Services, including both financial and non-financial performance.

There had been a general improvement in terms of financial and non-financial performance over the period 2014-15. It was reported that the financial outturn 2014-15 reported an aggregate under spend of £449K, which was an improvement on mid-year position.+ Six of the Shared Services had been rated as 'Green' in terms of their overall performance, with one – Occupational Health Unit, maintaining its 'Amber' rating. An update on all shared services as at 2014-15 was provided in the Appendices to the Report.

Members noted that this week Cheshire East staff working for the Cheshire Archives and Local Studies Shared Services had transferred over to Cheshire West and Chester Council. This transfer would help with the management of staff and was not a pre-determent for the location of the new Archives and Local Study centre.

**RESOLVED:**

That the Shared Services outturn performance for 2014-15 be noted.

**9 REVIEW OF REMAINING SHARED SERVICES AND JOINT COMMITTEE WORK PLAN 2015-16**

The Committee considered a report on the direction of travel for the remaining shared services and the work plan for the current year.

As at 1 April 2015, seven Shared Services remained, all of which were hosted by Cheshire West and Chester Council with the exception of the Farms Estate (Management) Shared Service which was hosted by Cheshire East Council.

An assessment of the remaining shared services had been undertaken, which had considered the current arrangements and requirements for the future including potential options for alternative deliver. Appendix 1 to the report provided details of the recommendations for each shared service.

Members requested an update on the alternative premises and the timeline for the Archives and Local Studies shared service. It was also agreed that the business plans for 2015 for each shared service would be circulated to committee members.

**RESOLVED:**

1 That the recommendations for each of the remaining Shared Services, as set out in paragraph 11.1, Table 1, be approved.

2 The Shared Services Joint Committee Work Plan 2015-16 be noted.

**10 REVIEW OF OCCUPATIONAL HEALTH SERVICES - OPTIONS FOR FUTURE SERVICE DELIVERY**

The Committee considered a report on the future delivery options for the Occupational Health Unit.

At the last meeting Members had been briefed on the main issues concerning the Occupational Health Unit. Two options had been identified for future service delivery:

1. Retaining the existing service delivery model
2. Out-source the provision of occupational health services.

In many local authorities, the provision of occupational health was outsourced to a private provider and generally provision of in-house occupational health was confined to large county councils which had a long tradition of in-house provision.

Initial discussions had been held with Warrington Borough Council about the possibility of jointly tendering for an external occupational health provision commencing on 1 April 2016, when their existing occupational health contact ended.

Members discussed working with Warrington Borough Council and asked about how the quality of service provided would be monitored; how Members would monitor the service; the working relationship with Warrington Borough Council, and how the procurement process would work.

**RESOLVED:**

That officers work with Warrington Borough Council on a tender for the outsourcing the occupational health service in order to produce a more resilient and consistent service for employees and managers.

### 11 **COSOCIUS SERVICE REVIEW UPDATE**

The Committee considered a report on the progress being made in the delivery of the CoSocius Service Review programme.

Details of the progress against each service review in Tranche 1 were detailed in the report and summary presentation.

It was noted that the Health and Social Care review would be merged with that of the Children & Young Persons and take place during Tranche 2. The review of Planning and Building Control would also be delayed until Tranche 2.

It was expected that a report would be brought to the next meeting with conclusions on the preferred solutions for a number of service review areas.

Members agreed that ways of working together should be explored by both Councils.

**RESOLVED:** That

- 1 the progress in delivery of the transactional services benchmarking review be noted.

- 2 the progress to date with the series of service reviews underway and the opportunities for collaboration and sharing across both Councils identified so far be noted.
- 3 the change in scope and associated re-phasing of delivery deadlines for two of the service review areas be approved.

### 12 EXCLUSION OF THE PRESS AND PUBLIC

#### **RESOLVED:**

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)(4) of the Local Government Act 1972 as amended on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

*Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

### 13 COUNCILS' CONTRACT WITH COSOCIUS

The Committee considered the joint report of the Chief Operating Officer , Cheshire East Council and the Head of Finance, Cheshire West and Chester Council on the current operating position of CoSocius.

#### **RESOLVED:**

That the recommended actions, set out in section 10.1 of the report be approved and a programme of work be established to deliver the recommended future service delivery model for current CoSocius services.

The meeting commenced at 2.00 pm and concluded at 3.50 pm

Councillor D Brown

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# CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

## SHARED SERVICE JOINT COMMITTEE

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**Date of Meeting:** 27 November 2015  
**Report of:** Cheshire East – Chief Operating Officer  
Cheshire West and Chester – Head of Finance  
**Subject/Title:** Shared Services Mid-Year Performance 2015-16

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### 1.0 Report Summary

- 1.1 This report provides a summary of the mid year position for the remaining Shared Services, including both financial and non-financial performance.
- 1.2 In terms of overall performance, this report indicates that the majority of Shared Services continue to deliver to plan under the sharing arrangements between Cheshire East Council (CE) and Cheshire West and Chester Council (CWAC) at the mid year point with five of the Services rated as “Green” and two rated “Amber”. This suggests slightly deteriorating performance on that reported at Outturn 2014-15 but reflects the mid year point of that period.
- 1.3 The aggregated overspend across shared services is predominantly attributed to the Occupational Health Unit. Resolution of this situation is currently being explored.
- 1.4 An overview of overall mid year performance for 2014/15 is contained in Appendix 1 with a detailed financial appraisal contained in Appendix 2.

### 2.0 Decision Requested

- 2.1 Recommended that:
  - i the Shared Services mid year performance for 2015 -16 be noted;
  - ii revisions to the Shared Services Strategic Risk Register be noted.

### 3.0 Reasons for Recommendations

- 3.1 The Shared Services Administrative Agreement makes provision for the Joint Committee to receive outturn reports based on the information and measures contained in Shared Service Business Plans.
- 3.2 The Shared Services Performance Management Framework (PMF) has been developed over the past six years. As it stands it provides a good degree of rigour to regular business planning and performance monitoring with detailed reports being produced at mid year and outturn and provides ongoing

assurance that services are planned and delivered to achieve stated objectives. However if performance issues do arise during an intervening period these will be reported to the Joint Committee on an exceptions basis.

**4.0 Wards Affected**

4.1 This report relates to Shared Services that operate across both CE and CWAC so all wards are affected in both Councils.

**5.0 Local Ward Members**

5.1 Not applicable.

**6.0 Policy Implications including**

6.1 None.

**7.0 Financial Implications**

7.1 In 2013 three year business plans were produced for all remaining shared services to cover the period 2013 to 2016. Summaries of these plans were noted by the Joint Committee in June 2013. These have since been subject to annual review to ensure that they remain relevant and continue to meet the changing needs of each client.

7.2 At the 2015-16 mid point Shared Services are reporting an aggregated overspend of £44k. High level details of this position are provided below with a full breakdown of the financial position reported in paragraphs 11 to 16 with further details contained in Appendices 1 and 2.

**Table 1**

<b>2015-16</b>	<b>Mid Year review Projected Outturn £000</b>	<b>Budget £000</b>	<b>Variance -Under / Over £000</b>
East cost	519	492	27
West cost	541	524	17
<b>Total Cost</b>	<b>1,060</b>	<b>1,016</b>	<b>44</b>

7.3 **Cheshire East** - Within CE, at Mid-Year review there is a total projected overspend of £27k which relates mainly to the forecast overspends within Occupational Health (£23k) and Emergency Planning (£4k).

7.4 **Cheshire West and Chester** - The overall projected outturn as at Mid-Year review is £17k overspend. As with Cheshire East, there is a forecast overspend within Occupational Health (£24k) and a small overspend forecast in Emergency Planning (£1k). Within Farms there is a forecast underspend of £8k.

7.5 This position will continue to be monitored and a further report will be prepared to confirm the Outturn position in due course.

7.6 In the interim the Joint Officer Board have undertaken a joint budget challenge to ensure that all Shared Services continue to explore efficiency options that benefit both authorities and help to mitigate potential budget issues arising in future years.

### **8.0 Legal Implications**

8.1 The Shared Services Administrative Agreement sets out the overall arrangements in relation to the manner in which authorities will work together. Shared Service Agreements and Secondment Agreements set out the mechanisms by which individual Shared Services operate.

8.2 As Shared Service arrangements have matured revised arrangements have been put in place in some areas (e.g. APAS and Libraries SS). Most recently this involved CE employees in the Archives and Local Studies Shared Service transferring to CWaC under TUPE regulations with effect from 01.10.15.

### **9.0 Risk Management**

9.1 The Shared Services Business Planning process requires that all Managers undertake a risk assessment in developing business plans. These were reviewed when three year business plans were developed for the period 2013-16. These business plans were reviewed at the start of the year to ensure that the risks remain relevant to ongoing service delivery. No new risks were identified at this point.

9.2 The Joint Officer Board maintain a strategic risk register for the shared service operation. This has recently been reviewed and updated to take account of recent changes particularly those that anticipate former shared services being brought back in-house. The details of this review are contained in Appendix 3.

### **10.0 Background and Options**

10.1 All Shared Services are underpinned by formal legal arrangements and business plans providing details of the Shared Service operation, objectives and investment. These require a degree of flexibility to enable an appropriate response to the changing needs of each council. Business Plans for 2013-16 set out the measures by which the Shared Services' performance has been assessed.

10.3 This report provides an overview of Shared Services performance and finances for 2015-16 at the mid year point.

### **11.0 Shared Services Mid Year Performance 2015-16**

11.1 This report summarises the current forecast outturn position at Mid-Year review for the current formal Shared Services for 2015-16 (based on end of September)..

11.2 At this Mid-Year point, there are seven Shared Services (six CWAC-hosted, one CE-hosted). Four are shared services where total costs are split against an agreed % cost share agreement as set out in formative Legal Agreements:

- Farms
- Occupational Health Unit (OHU)
- Archives
- Civil Protection – Emergency Planning

The remaining three of the services are subject to revised joint arrangement services where CE pay a fixed contribution to CWAC:

- Rural Touring Network (Grant funded)
- Archaeological Planning and Advisory Services (Transfer Agreement)
- Libraries (Transfer Agreement)

11.3 Table 2 below provides headline indicator for overall performance for each of the above. This is based on progress to date against service objectives, performance against budget and performance indicators as set out in Shared Service Business Plans 2015-16. Current performance is set against historic performance to provide an indication of direction of travel for each shared service.

11.4 An assessment of improvement against baseline performance (where available) and targets, has been made to provide an indication of the direction of travel for each indicator. A RAG rating (Red / Amber / Green) has been applied to provide a judgement of overall performance based on these two elements. This suggests that:

- 5 services are rated as Green (performing well)
- 2 services are rated as Amber (mixed performance)
- 0 services are rated as Red (poor performance)

**Table 2**

SERVICE		Overall Rating 2012-13	Overall Rating 2013-14	Overall Rating 2014-15	Mid year Rating 2015-16
A03	Farms Estate	G	A	G	G
A04	Emergency Planning	A	G	G	A
A05	Occupational Health Unit	A	A	A	A
A06	Archives and Local Studies	A	G	G	G
A08	Libraries Specialist Support	A	G	G	G
A14	Rural Touring Arts	G	G	G	G
B14	Archaeology Planning Advisory Service	A	G	G	G

11.5 A detailed summary of current performance for each of the above is contained in Appendix 1 and Appendix 2 with a brief summary provided below.

12.0 **Farms Estate** Mid Year Budget Position: £8k underspend

12.1 The focus for this Shared Service is the “management” of the Farms Estates which follows the individual strategies of each Council as approved in late 2011 / early 2012. The Service budget has been realigned accordingly and this is currently forecasting a small underspend through over achievement of income. Effort in CE is currently focused on estate reorganisation whereas in CWaC the focus is on completing existing and progressing new disposals.

13.0 **Emergency Planning** Mid Year Budget Position: £5k over

13.1 The Service continues to perform well and has co-ordinated the response to 14 incidents (8 in CE and 6 in CWaC) since April 2015 including 5 Major Incidents and 2 Major Incident Standbys. The team has been heavily involved in the Cheshire East Council response to the Bosley Wood Flour Mill Major Incident and will continue to be so over the next 12 months. This work will continue to have an impact on the delivery of the Service’s Business Plan in 2015-16. The service is currently forecasting an over-spend of £5k

14.0 **Occupational Health** Mid Year Budget Position: £48k over

14.1 The performance of the OHU continues to fluctuate due to loss of income and its ability to retain staff and consequently this is affecting the resilience of the Unit and ongoing service delivery. The overspend is attributed to a reduction in buyback of services from schools and the loss of external contracts. The Joint Committee have recently agreed to a joint procurement exercise with Warrington Borough Council to explore the potential for external provision.

15.0 **Archives and Local Studies** Mid Year Budget Position: Balanced

15.1 Service delivery is on target and work continues on the Accommodation project and developing funding bids to support this objective. Other key projects including off-site storage and further digitisation of records are being progressed. The National Archives Accreditation was submitted in the summer and a validation visit took place in October and it is anticipated that a report will be issued in November 2015. The transfer of CE employees to CWaC has been completed. The service is forecasting an overall balanced budget for outturn.

16.0 **Joint Arrangement services**

All of the Joint Arrangement (shared) services (Libraries SS, APAS and RTA) are projecting a balanced budget at the mid year point.

16.1 The Libraries Shared Service continues to focus on the implementation and bedding in of new management systems in both front line libraries and the Education Library Service. It is anticipated that these, together with staff restructuring, will deliver further efficiency savings to both Councils in the longer term.

- 16.2 The Rural Touring Arts Network is delivering to plan with audience ratings and efforts to increase promotional activity via social media already above target. The financial position is balanced.
- 16.3 The Archaeology Planning Advisory Service continues to deliver services with performance currently exceeding expectations. It is about to embark on the second phase of a fundamental review looking at the potential for alternative delivery models. It is anticipated that this work will be finalised early in the new year with any revised arrangements being effected from 1 April 2016.

## 17 Conclusion

- 17.1 The purpose of this report is to provide reassurance that the Shared Service arrangements between CE and CWAC councils continue to perform in line with stated plans.
- 17.2 The overall approach to performance management is embedded across the remaining Shared Services and is appropriate to current needs. However this will need to be revisited once services currently provided by CoSocius revert to Shared Service governance arrangements post April 2016.
- 17.3` Work on developing the next round of four year Business Plans will commence shortly and these will cover the period April 2016 to March 2020.
- 17.4 At this point the Shared Services mid year performance is slightly below that reported at outturn 2014-15 although it is on a par with that reported at mid year point. If in-year budgetary issues can be addressed it is anticipated that the overall position can be improved by outturn.

## 18 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

*Officer: Peter Bates, Chief Operating Officer– Cheshire East Council*

*Mark Wynn, Head of Finance – Cheshire West & Chester Council*

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*Documents are available for inspection at:*

*Cheshire East Democratic Services*

*Westfields*

*Middlewich Road*

*Sandbach*

*CW11 1HZ*

*or:*

*Cheshire West & Chester Democratic Services*

*HQ Building,*

*Nicholas Street,*

*Chester,*

*CH1 2N*

## SHARED SERVICE MID YEAR PERFORMANCE REPORT 2015 - 16: SUMMARY

## Appendix 1

This summary of performance considers both qualitative and quantitative performance in terms of the shared services achievements and performance against national and local indicators as outlined in the Business Plans 2014-15. The RAG rating (Red / Amber / Green) is a judgement based on the combined performance of both elements.

SERVICE		SUMMARY OF PERFORMANCE	Overall Rating 2012-13	Overall Rating 2013-14	Overall Rating 2014-15	Mid Year Rating 2015-16
A03	Farms Estate	The focus for this Shared Service is the “management” of the Farms Estates which follows the individual strategies of each Council as approved in late 2011 / early 2012. The Service budget has been realigned accordingly and this is currently balanced. Effort in CE is currently focused on estate reorganisation whereas in CWaC the focus is on completing existing and progressing new disposals. At mid year the service is forecasting an £8k.underspend.	G	A	G	G
A04	Emergency Planning	The Service continues to perform well and has co-ordinated the response to 14 incidents (8 in CE and 6 in CWaC) since April 2015 including 5 Major Incidents and 2 Major Incident Standbys. The team has been heavily involved in the Cheshire East Council response to the Bosley Wood Flour Mill Major Incident and will continue to be so over the next 12 months. This work will continue to have an impact on the delivery of the Service’s Business Plan in 2015-16. The service is currently forecasting an over-spend of £5k	A	G	G	A
A05	Occupational Health	The performance of the OHU continues to fluctuate due to loss of income and its ability to retain staff and consequently this is affecting the resilience of the Unit and ongoing service delivery. The overspend is attributed to a reduction in buyback of services from schools and the loss of external contracts. The Joint Committee have recently agreed to a joint procurement exercise with Warrington Borough Council to explore the potential for external provision.	A	A	A	A
A06	Archives	Service delivery is on target and work continues on the Accommodation project and developing funding bids to support this objective. Other key projects including off-site storage and further digitisation of records are being progressed. The National Archives Accreditation was submitted in the summer and a validation visit took place in October and it is anticipated that a report will be issued in November. The transfer of CE employees to CWaC has been completed. The service is forecasting an overall balanced budget for outturn.	A	G	G	G

SERVICE		SUMMARY OF PERFORMANCE	Overall Rating 2012-13	Overall Rating 2013-14	Overall Rating 2014-15	Mid Year Rating 2015-16
A08	Libraries Specialist Support	The Libraries Shared Service continues to focus on the implementation and bedding in of new management systems in both front line libraries and the Education Library Service. It is anticipated that these, together with staff restructuring, will deliver further efficiency savings to both Councils in the longer term	A	G	G	G
A14	Rural Touring Network	Audience attendance and satisfaction levels at RTA sponsored events remains positive and is meeting or exceeding targets. The budget position is balanced.	G	G	G	G
B14	Archaeology Planning Advisory Service	The Archaeology Planning Advisory Service continues to deliver services with performance currently exceeding expectations. It is about to embark on the second phase of a fundamental review looking at the potential for alternative delivery models. It is anticipated that this work will be finalised early in the new year with any revised arrangements being effected from 1 April 2016.	A	G	G	G

**RAG Rating**

<b>R</b>	Poor Performance - Targets unlikely to be met, significant budget issues
<b>A</b>	Mixed Performance - varying performance against targets, some budget issues to be addressed
<b>G</b>	Performing Well – performance predominantly on target, no major budget issues

**A03 Farms Estate Mid Year Performance 2015-16**

Overall Rating:



**Service Manager:** David Job

Cheshire Farms shared service was established to provide the management function for the Farms Estates of each authority, a rural property portfolio that provides opportunities for those wishing to take up farming on their own account. To include the rural based specialism’s required in the acquisition, management and disposal of this and other rural property held by each authority. The team comprises two Land Agents and 1.3 FTE support staff, all specialising in the acquisition, management and disposal of rural property and it is the costs associated with replacing or replicating the required skills sets that remain the fundamental reason for the formation and continuation of this shared service. Management of the estates follow individual strategies approved by each authority in late 2011 / early 2012:

- CW&CBC policy is designed to manage the cessation of service provision over an unstated period of years, focussing on disposals activity whilst managing the estate through this exit strategy.
- CEBC policy is designed around a retention model but aims to improve the operational and financial performance of its Estate over a 5 year period concluding in 2017/18. The key features of this Strategy are:
  - A physical restructuring of the Estate to provide a range of farming opportunities suited to the modern needs of the agricultural industry.
  - The realisation of capital receipts and improvement of the long term financial viability through the rationalisation of the Estate.
  - The reinvestment of a proportion of the capital receipts in measures to a) improve the quality and efficiency of the retained Estate and b) finance the costs of disposal.

The service is provided on a pan-Cheshire basis to achieve maximum benefit from efficiencies and economies of scale in using specialist services and expertise.

**Progress against 2015-16 Delivery Plan**

CEBC - A busy first half to the year with considerable estate reorganisation and planning activity in anticipation of a significant number of tenancy changes, lettings and disposals contributing to the key objectives of service reorganisation, improvement and disposals. Budget is forecast is balanced supporting the alternate use of consultancy rather than staff where skills gaps requires same.

CW&CBC Ongoing activity focused on completion of existing and new disposals. The budget profile is currently forecasting a minor underspend.

**Mid Year Budget Position 2015-16**

Farms	Total £8k under	CE Balanced	CWAC £8k under
The Service is currently forecasting a small underspend through over achievement of income on the CWaC estate.			

**A03 Farms Estate Mid-Year Performance 2015-16**

CHESHIRE FARMS SHARED SERVICE - SERVICE MANAGEMENT COSTS ANALYSIS as at 30/9/2015									
	CHESHIRE EAST				CHESHIRE WEST				
	Budget	Mid Year Actual	Forecast	Variance Actual to Budget	Budget	Mid Year Actual	Forecast	Variance Actual to Budget	
	£		£	£	£	£	£	£	
<b>Total Service Management Costs (Employees/Training/Expenses/Supplies &amp; Services)</b>	£ 120,543	£ 34,521	£ 69,123	£ 86,022	£ 86,190	£ 41,934	£ 85,661	£ 44,256	
	Non Geographically Specific Costs £				TOTAL				
	Budget	Mid Year Actual	Forecast	Variance Actual to Budget	Budget	Mid Year Actual	Forecast	Variance Actual to Budget	
	£		£	£	£	£	£	£	
<b>Total Service Management Costs (Employees/Training/Expenses/Supplies &amp; Services)</b>	£ 2,842	£ 1,003	£ 1,913	£ 1,839	£ 209,575	£ 77,458	£156,697	£ 132,117	
	CEBC	CW&CBC	Total						
	£	£	£	£					
No of Properties (as at 1/4/15)	67	46	113						
Division of forecast management costs based upon number of properties.	£ 92,908.84	£ 63,788	£ 156,697						
Indicative Breakdown Of Management Costs By Activity	CEBC		CW&CBC		Total				
Disposals Activity	Forecast	Mid Year Actual	Forecast	Mid Year Actual	Forecast	Mid Year Actual			
Capital Receipts	£ 2,139,063	£ 826,751	£ 2,622,754	£ 781,995	£4,761,817	£1,608,746			
Cost Of Disposals Activity (Capital Receipts x 0.50%)	£ 10,695	£ 4,134	£ 13,114	£ 3,910	£ 23,809	£ 8,044			
<b>Interim Managed &amp; Non Farms SFP income</b>									
Interim Managed & Non Farms SFP income	£ 100,352	£ 8,918	£ 15,712	£ 15,712	£ 116,064	£ 24,630			
Cost Of Interim Managed & Non Farms SFP Activity @ 10% of income	£ 10,035	£ 892	£ 1,571.20	£ 1,571.20	£ 11,606	£ 2,463			
<b>Farms Management Activity</b>									
Cost Of Farms Management Activity (Total Management Costs Less Disposals & Interim / Non Farms Management Costs)	£ 72,178.33	£ 40,900.87	£ 49,103.19	£ 26,050.40	£ 121,282	£ 66,951			
Cost Of Farms Management Activity Expressed as a % of Total Farms Estate Income	11.53%	6.49%	9.09%	5.22%	10.75%	5.93%			
<b>Total Service Costs</b>									
Total Service Management Costs By Authority	£ 92,909	£ 45,926	£ 63,788	£ 31,532	£ 156,697	£ 77,458			
Total Cost Expressed as % of Total Generated Income (Excluding Capital receipts)	12.79%	7.29%	12.32%	6.13%	14%	6.71%			

## A04 Emergency Planning Mid Year Performance 2015-16

Overall Rating:

A

**Service Manager** Chris Samuel

The overarching aim of the Shared Emergency Planning Service is to ensure that both Cheshire West and Chester Council, and Cheshire East Council, (a) have the capability to respond effectively and efficiently to any major emergency in support of their communities, and the multi-agency response, (b) perform their statutory duties under the Civil Contingencies Act, COMAH (Control of Major Accident Hazards), REPPiR (Radiation Emergency Preparedness & Public Information Regulations), PSR (Pipeline Safety Regulations), and Flood & Water Management Act legislation, and (c) participate effectively in the delivery of the multi-agency work and training programme as a member of the Cheshire Resilience Forum.

The service has 7 staff (3 CWaC and 4 CE) with six officers based in Chester and one in Sandbach. The service has a budget of £314k this year, which includes £23K income generated through cost recovery for work performed under COMAH, REPPiR and PSR legislation. The budget for 2015-16 reflects a 24% efficiency saving made in 2012-13. The Service is currently responsible for the preparation and testing of the off-site emergency plans for 17 top-tier COMAH (Control of Major Accident Hazard) sites, 1 nuclear facility and 600kms of Major Accident Hazard Pipelines.

### Progress against 2015-16 Delivery Plan

The Service continues to perform well and has responded to 14 incidents since April 2015 – these have included 5 Major Incidents and 2 Major Incident Standbys. Incidents that the Duty Officer/ Team have responded to have included the explosion and fire at the Bosley Wood Flour Mill, several closures of the M56 and M6, a plane crash at CarFest, a heatwave and a power outage in Chester.

Key areas of work that are currently being focused on by the team as part of our annual business plan currently include: (1) continued statutory off-site planning and exercising of industrial hazard plans, (2) continued activities designed to increase general emergency preparedness levels across both authorities, and (3) continued emergency management training for Senior Managers, staff and Members. The team has been heavily involved in the Cheshire East Council response to the Bosley Wood Flour Mill Major Incident since the 17<sup>th</sup> July and will continue to be so over the next 12 months. This work will continue to have an impact on the delivery of the Service's Business Plan in 2015-16.

### Mid Year Budget Position 2015-16

Civil Protection – Emergency Planning	Total £5k over	CE £4k over	CWAC £1k over
The Service is currently forecasting a small overspend across the budget			

## A04 Emergency Planning Mid Year Performance 2015-16

Measure		Responsible Officer	Split	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 at Mid Year	Comments on 2015-16 Performance at Mid Year
EPM1	Overall delegate satisfaction with training events (i.e. very good, good, satisfactory)	Suzanne Pritchard			100%	100%	100%	100% ↔	<p>The Service has completed 4 Emergency Management Workshops (2 in CWaC, 2 in CE) and 2 Introduction to Emergency Planning Workshops so far in 2015-16. Nine events have had to be cancelled due to a combination of low take-up by officers, and the team's ongoing involvement with the Bosley Major Incident.</p> <p>A combined Emergency Rest Centres Workshop took place in June 2015, and we hope to book trainings sessions in with CE and CWaC Members for Q4.</p> <p>All events have been well received. We continue to explore ways of increasing attendance at the officer training events.</p>
EPM2 and M3	Statutory plans and exercises delivered within agreed timescale	Chris Samuel	Overall	95%	100%	100%	100%	100% ↔	<p>All COMAH, REPPiR and PSR plans are currently within agreed ONR and HSE timescales.</p> <p>All COMAH off-site plan reviews scheduled for this year are on target. These include GrowHow (Ince) and BAE Systems (Radway Green).</p> <p>COMAH exercises planned for this year include EON Holford Gas Storage, HW Coates (Middlewich) and Ecolab (Northwich) – all are on target.</p>
EPM4	Public awareness of what to do in the event of a major emergency.	Chris Samuel	Overall						<p>Results from CE Citizens Panel (Spring 2015) showed a decrease from 22% in 2013-14 to 17% in 2015-16. No date set for next CWaC Community Survey (2011-12 result was 18.2%). The future regards this PI is as follows:</p> <ul style="list-style-type: none"> <li>CE – results from the next Citizens Panel should be available by the end of 2015.</li> <li>CWaC – there are no current plans to run another Community Survey as public views are sought by the authority in different ways now.</li> </ul> <p>The Service will look for new methods on how we can measure this area moving forward. Our team will continue to work hard with partners to ensure</p>
			CE	N/A	22%	N/A	25%	17% ↓	
			CWAC			-	-		

									that as many residents as possible are aware of the safety actions to take before, during and after any future large scale emergencies, and increase the % of residents who feel well informed.
EPM5	Major Incidents/ Major Incident Standbys responded to by Duty Emergency Planning Officer within appropriate timescales.	Chris Samuel	Overall	100%	100%	100%	100%	100% ↔	14 incidents responded to in 2015-16 so far (see above for more information).

## A05 Occupational Health Unit Mid Year Performance 2015-16

Overall Rating:

**A**

**Service Manager:** Eric Burt

The Occupational Health Unit (OHU) continues to supply occupational health services to Cheshire East (CE), Cheshire West and Chester (CWaC) and a number of external customers in both the public and private sector. The income from these contracts subsidises the contribution from both councils.

The Unit is hosted by Cheshire West and Chester Council and strategically managed by the Health and Safety Manager. Day to day management of the Unit is carried out by the OHU Manager with support from an admin team led by an Admin Team Leader. The Unit has two main clinics; Goldsmith House in Chester and Westfields in Sandbach.

### Key Objectives for 2015-16

### Progress against 2015-16 Delivery Plan

The Joint Committee has agreed to a joint procurement with Warrington Borough Council for the procurement of occupational health services externally as the income has reduced due to loss of customers this year.

### Mid Year Budget Position 2015-16

Occupational Health Unit (OHU)	Total £48k over	CE £24k over	CWAC £24k over
The overall overspend is mainly due to reduced income from schools and external companies. This overspend has reduced slightly due to a number of schools requesting the buyback service after the buyback deadline date.			

## 05 Occupational Health Unit Shared Service Mid Year Performance 2015-16

Measure		Responsible Officer	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 at Mid Year	Comments on 2015-16 Performance at Mid Year
1.2	Customer liaison either face to face, e-mail or telephone is maintained.	Eric Burt	95% of customers re-signed their contracts	85% of external customers re-signed their contracts	100% buy-back of occupational health from external customers	90% of customer have bought back occupational health	
2.1	The OHU Admin Team is restructured and achieves a budget reduction	Eric Burt	Achieved	Achieved	Achieved	Achieved	
3.1	EOPAS is available to external customers	Eric Burt / ICT Project Officer	Project preparation work outlined	Put on hold as customer base has reduced	On – hold at present	Withdrawn due to proposal to out-source OHU	
4.1	Operate clinics at Sandbach and Chester as well as customer clinics as required	Eric Burt	On target	On target	Clinics at Sandbach, Chester and customer premises	Achieved	Also running a clinic at Macclesfield due to customer demand
5.1	Continual review of OHU policies and procedures to drive good practice and respond to national guidance	Eric Burt	On target	All policies and procedure have been reviewed	All policies and procedures reviewed	Achieved	

## A06 - Archives and Local Studies Mid Year Performance 2015-16

Overall Rating:

G

**Service Manager** - Paul Newman

Cheshire Archives and Local Studies (CALs) shared service is part of nation-wide network of statutory archive provision that fulfils the statutory requirement for all Councils under the 1972 Local Government Act to make proper provision for the archives in their care.

The service is responsible for:

- Acting as the corporate memory for its parent bodies and their predecessors
- Collecting and providing access to a comprehensive range of original records and archives to reflect the development of the County of Cheshire and its communities
- Maintaining a comprehensive collection of local studies materials and ensuring the supply of appropriate materials to libraries across the County
- Promoting and developing interest in all aspects of the history of the County
- Providing advice and guidance on all aspects of record-keeping and local and family history

The service also provides core archive provision to Halton and Warrington Borough Councils under a single Service Level Agreement (SLA) that has been in place since Local Government re-organisation in 1998.

### Key Objectives for 2015-16

- Continuing the Archives Accommodation Project to establish a shared vision to inform bids to secure internal and external funding;
- Consolidation of off-site storage and revised Disaster Recovery Plan in place
- Further digitisation of records
- Achieve accredited status under The National Archives' accreditation scheme

### Progress against 2015-16 Delivery Plan

- Accommodation project redefined, in the light of Heritage Lottery Fund advice, to focus on developing a stronger vision for the service in consultation with customers, stakeholders and staff. Workshops with staff/stakeholders held. Future service delivery options being developed for analysis and decision early 2016. Requirement for internal financial support highlighted within both authorities and high level/outline business cases submitted. Aiming for formal approach to HLF (Project Inquiry) Spring 2016.
- Invitation to Tender for offsite storage on The Chest. Contract to be awarded November, starting April 2016.
- Discussions ongoing with commercial partner over future digitisation candidates. Decisions about priorities taken and required data/records sent to commercial partner October.
- Accreditation submission Summer 2015, followed by validation visit by The National Archives in October. Awaiting report November.
- New disaster recovery plan in place and staff training has taken place.

- New programme of talks and events developed, aimed at attracting a wider audience to the service. Launched April with positive response and good media interest.
- Review of Local Studies services in Cheshire East ongoing, with promotional materials, self-service guides and rebranding to be in place by end of financial year. This aims to increase awareness of archives/local history services available to residents at local libraries.

**Mid Year Budget Position 2015-16**

<b>Archives</b>	<b>Total Balanced</b>	<b>CE Balanced</b>	<b>CWAC Balanced</b>
The Service is forecasting a balanced outturn			

**A06 - Archives and Local Studies Mid Year Performance 2015-16**

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 at Mid Year	Comments on 2015-16 Performance at Mid Year
ALS-003	Level of customer satisfaction as measured in PSQG survey	Paul Newman	100%	98%	9.3			National survey to be held early 2016
ALS-004	Net expenditure per '000 population in CIPFA Archive service statistics (b)	Paul Newman	Lowest quartile	Lowest quartile	Lowest quartile	Lowest quartile	Tbc	National CIPFA statistics for 15/16 not yet available
ALS-005	SLA with Halton and Warrington Borough Councils	Paul Newman	As is	As is	Maintained	Maintained	Maintained	
ALS - 006	Increase in use of online resources as measured in website visits	Paul Newman	200,000	1.4 million	1,434,139	1.4 million	821,407	
NEW ALS-007	Archives Accreditation Scheme - achieve accredited status (Replaces ALS 001 and 002)	Paul Newman	-	-	Application in progress	Application submitted		Report due November with recommendations for service development
NEW ALS-008	Percentage of new accessions of archives made available to customers within one month/3 months of receipt	Lisa Greenhalgh	N/A	-	83%/99%	80%/95%	84%/95%	Accessions not available receiving specialist conservation treatment

## A08 Libraries Shared Service Mid Year Performance 2015-16

Overall Rating:

G

### Service Manager Rachel Foster

Libraries Shared Services provides support and specialist services to libraries and customers in Cheshire East and Cheshire West and Chester Libraries. It also provides resources and expertise to support the curriculum needs of schools and pupils, which subscribe to the Education Library Service (ELS). Its aim is to provide a cost-effective and efficient service for the clients and drive and support innovations in the service.

There are a total of 35.32 FTE members of staff and a budget of £729,456 with two premises at Hartford Way, Chester and ELS at Browning Way, Winsford, two delivery vans at Hartford Way and one mobile and two delivery vans at ELS. .

### Key Objectives for 2015-16

The budget for 2015-16 is £729,456. The main focus will be to complete the implementation of the library management system for CE and CWAC libraries and work on the enhancements so as to ensure that the system is working effectively for library users and staff. The library management system at ELS will be implemented, leading to more efficient processes within the unit. The implementation of the public LMS should deliver revenue savings in 2015-16 which form part of the policy options for 2014-17. There will be a review of the LSS staff structure following the CWAC Places Restructure.

### Progress against 2015-16 Delivery Plan

The public library management system is now implemented. We are still resolving some of the implementation issues especially regarding the payment interface, cash management and stock reservations. We will then progress to the enhancements programme.

The library management system at ELS is almost fully implemented; we are still working on the invoicing module to ensure greater effectiveness in processes.

We are also reviewing the mobile library at ELS as it is likely to need replacing within the next 2 years.

Restructure proposals in both service areas are underway. New job descriptions are being drafted for evaluation.

### Mid Year Budget Position 2015-16

Libraries Shared Service	Total Balanced	CE Balanced	CWAC Balanced
Cheshire East pay a fixed contribution to CWaC for this Service. The Service is forecasting a balanced outturn			

### A08 Libraries Shared Service Mid Year Performance 2015-16

Measure		Responsible Officer	Split	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 Mid Year	Comments on 2015-16 Mid Year Performance
LSS 001	Linked to delivery of Early Years Foundation Stage – gifting of Bookstart packs as a percentage of the target group	Position vacant. Rachel Foster until new appointee starts in post.	Overall	98%	91.9% of target group. 14,090 packs gifted	96.85% 15,111 packs gifted	95%	7963 delivered to mid year	Due to the gifting schedules in CE and CWAC it only makes sense to report by authority at year end. We are on target to deliver in excess of last year's figure.
			CE	98.35	89.33%	96.1%			
			CWAC	97.65	94.63%	97.6%			
LSS 002	Staffing Levels	Rachel Foster	Overall	38.5 FTE	36.28 FTE	35.32 FTE	n/a	34.32FTE	Carrying a vacancy pending LMS implementation structure review.
LSS 003	ELS Growth of client base	Rachel Foster	Overall	2% decrease in primary and special schools. 2% increase in secondary schools	3.75% decrease in primary and secondary schools. 0.23% increase in secondary schools	.7% increase in income £858,584 from schools	1% increase in income to £867,169 from schools	Maintained buyback to date. 2 new schools registered interest.	Final income not yet confirmed by SBSA and CHESS
LSS 004	Delivery of new stock – time from new stock arriving from supplier to being despatched to libraries	Lexa Farthing	Overall		3.25 days	3 days	3 days	5 days	Figure varies dependent on volume of ordering taking place at any one time. Impact from transition to new LMS, working with LMS supplier and stock supplier to improve current situation.
LSS 005	Stock orders from libraries submitted to supplier	Lexa Farthing	Overall		3 days	3 days	3 days	2 days	Appear on LMS more quickly than previously and orders go through to supplier more efficiently because of new LMS.
LSS 006	Interlending response times – item request placed and response sent to library	Lexa Farthing	Overall		53.4% within 3 days 31.8% 4 to 5 days 14.8% over 5days	47.19% within 3 days. 29.45% 4 to 5 days. 23.35% over 5 days.	Pending data.	Pending data.	Will circulate asap.
LSS 007	Local ENQUIRE service – number of questions answered	Rachel Foster	Overall	6.9%	8.65% – 3213 questions answered	3489 questions answered	2% increase to 3558	1875 answered to date	Systems Team working on the promotion of this service, particularly with the implementation of the new library management system.

## A14 Rural Touring Arts Network Mid Year Performance 2015-16

Overall Rating:

**G**

The purpose of Cheshire's Rural Touring Arts Service (CRTA) is to provide a programme of high quality professional arts activities and events for rural areas in Cheshire in partnership with the communities of the villages involved.

CRTA is run by 1.5 posts, 2 part time scheme managers and a part time administrator. The CRTA is funded by the 2 local authorities and Arts Council Engalnd (ACE) as a National Portfolio Organisation.. The CRTA is hosted by CWAC. CRTA sits within the Arts and Festivals team in West and within the Arts, Heritage and Cultural Services on the East and contributes to the ongoing service plans of both teams.

### Key Objectives for 2015-16

Key areas of Focus for the CRTA in 15/16 are:

- 1: Maintaining our levels of audience attendance and satisfaction through the work and activity we programme.
- 2: Training and enabling more volunteer promoters to use the online ticketing service.
- 3: Training and enabling more volunteer promoters to explore and/or use social media in their promotions.
- 4: Increasing the CRTA use of social media to reach new audiences.

### Progress against 2015-16 Delivery Plan

We are pleased that our audience attendance and satisfaction of the work continues to be positive and reaches or exceeds our set targets. We continue to constantly review our audience data within our organisation and with our management and arts council officers.

We have highlighted a number of training needs for our volunteers for this year and have planned a training event for January around areas of marketing, social media, fundraising and online ticketing. This will be done in partnership with a colleague within the west arts team who works with a wide team of arts volunteers. We have hired the services Jack Bond for marketing and social media who works with our partner organisation in Lancashire (Cultrapedia). We are working with him to help develop our effective use of marketing, social media and press and publicity.

### Mid Year Budget Position 2015 -16

Rural Touring Arts	Total Balanced forecast	CE balanced	CWAC balanced
Cheshire East pay a fixed contribution to CWaC for this Service. The Service is forecasting a balanced outturn			

### A14 Rural Touring Arts Network Outturn Performance 2014-15

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 Mid Year	Comments on 2015-16 Performance
RTA 1	Maintain quarterly meetings with Client Managers	Jen Henry / Claire smith	N/A	8	4	4	2	
RTA 2	Maintain quarterly meetings with Cheshire Lancashire Partnership	Jen Henry / Claire smith	N/A	4	4	4	2	
RTA 3	% of audience rating performance as good or excellent	Jen Henry / Claire smith	97%	94%	97%	95%	97% (spring 15 figures only)	
RTA 4	Number of youth venues identified and supported	Jen Henry / Claire smith	N/A	7	2	2	2	
RTA 5	Number of venues maintained	Jen Henry / Claire smith	N/A	26	27	27	27	
RTA 6	Number of Promoter meetings held p.a.	Jen Henry / Claire smith	N/A	Achieved	5	5	3	
RTA 7	Liaison with PANDA maintained	Jen Henry / Claire smith	N/A	Achieved	Pitching event took place. 2 companies booked onto scheme and 3 companies mentored	To support and programme at least 2 artists from the 2015 PANDA programme and be involved in the 2016 programme	1 artist programmed in spring 15. 2 artists programmed for autumn 15 menu	
RTA 8	Increase Facebook and Twitter activity and usage to promote events	Jen Henry / Claire smith	N/A	280 Facebook (+162=137% ) 201 Twitter (+ 89 = 79%)	304 Facebook friends 293 twitter followers	Continue to increase social media use to promote events and reach new audiences.	Social media/marketing training session planned for Jan 16	

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 Mid Year	Comments on 2015-16 Performance
RTA 9	Build a new RTA Website to promote events	Jen Henry / Claire smith	N/A	Not Achieved	Website built and live for spring 15 season	N/A	N/A	
RTA 10	Audience Feedback collated to inform future programmes	Jen Henry / Claire smith	N/A	90% of events surveyed	90% events surveyed	90% of events to be surveyed in the current form system. The data collection process is being reviewed in 2016 in line with Arts Council advice	90% of events in spring 15 surveyed	
RTA 11	Annual Report issued	Jen Henry / Claire smith	N/A	Not Achieved	Achieved	End of year report is part of the Arts Council Annual reporting process to be completed by 5th June	Annual report for 14/15 sent to arts council in May 15. Next report due in May 16	

## B14- Archaeology Planning Advisory Service Mid-Year Performance 2015-16

Overall Rating at Outturn:

G

Service Manager: Ian Hesketh

The Archaeology Planning Advisory Service (APAS) is a sub-regional service which provides advice on the archaeological implications of development for Cheshire West and Chester (CWAC) Cheshire East (CE), Warrington and Halton Borough Councils. The service operates as a shared service between CWAC and CE, and provides services to Halton and Warrington via service level agreements. The service to Halton also includes the provision of advice on the implications of development on the built historic environment. The service is hosted by CWAC.

### Key Objectives for 2015-16

The main focus will be to implement the recommendations arising from the Service Review and to have a new arrangement in place between the two authorities by 1 April 2016 whilst maintaining service delivery to both Councils.

### Progress against 2015-16 Delivery Plan

As table B14 below highlights all Delivery Plan targets for 2015-16 are either on track to be met or are currently exceeded within the present performance timeframe. This is evidence of a continuing high level of performance by APAS personnel and individually and collectively. Over the remainder of the period to April 2016 priority should be given to the further consideration of future service delivery options encompassed by the recommendations attached to the previous service review.

### Mid Year Budget Position 2015 -16

Archaeological Planning and Advisory Services	Total Balanced	CE balanced	CWAC balanced
Cheshire East pay a fixed contribution to CWaC for this Service. The Service is forecasting a balanced outturn			

## B14- Archaeology Planning Advisory Service

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Target	2015-16 Mid Year	Comments on 2015-16 Mid Year Performance
ARC H001	% of number of records reviewed in the Cheshire Historic Environment Record per annum	Ian Hesketh	30%	24%	8%	5%	6%	Performance has exceeded target in first half of year
ARC H002	% of general enquiries to the Cheshire Historic Environment Record responded to within 15 working days	Ian Hesketh	96%	98% ↑	99%	90%	99%	Performance has exceeded target in first half of year
ARC H003	% of Farm Environment plan enquiries to the Cheshire Historic Environment Record responded to within 20 working days, according to agreed national service standard	Ian Hesketh	96%	100%	100%	100%	100%	The title needs renaming to reflect the new scheme. They're called HEFERs now.
ARC H004	% of archaeological development control advice provided within 21 working days.	Ian Hesketh	100%	100%	99.5%	100%	100%	On target despite being half a Development Management Archaeologist post down between April and September

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Shared Services 2015-16

Shared Service	Host	Forecast Outturn position 2015-16 (as at end of September data)			Total Budget 2015-16	Total Variance	U / O	EAST COST SHARE + VARIANCE					WEST COST SHARE + VARIANCE						
		EAST	WEST	Total net cost (Forecast)				Share of net cost	Net Cost	Budget	Variance	U / O	East Mid Year Explanation	Share of net cost	Net Cost	Budget	Variance	U / O	West Mid Year Explanation
		£	£	£				£	%	£	£		£	%	£	£			
<b>Shared Services - April to September</b>																			
Farms Estate	CE	-380,634	-352,000	-732,634	-724,073	-8,561		-380,634	52%	-380,634	0	-	The Farms Estates service remain on track to deliver a balanced budget.	-352,000	48%	-343,439	-8,561	U	Farms are forecasting a small overachievement on the income target for the estate
Civil Protection (Emergency Planning)	CWAC	159,411	159,411	318,822	313,764	5,058		159,411	50%	155,598	3,813	O	Small overspend forecast at outturn	159,411	50%	158,166	1,245	O	Minor overspend forecast at outturn
Occupational Health	CWAC	175,986	-18,342	157,644	110,044	47,600	O	78,822	50%	55,104	23,718	O	Overspend due to reduced income from Schools and external companies. This overspend has reduced slightly due to a number of schools requesting the buyback service after the buy back deadline date .	78,822	50%	54,940	23,882	O	Overspend due to reduced income from Schools and external companies. This overspend has reduced slightly due to a number of schools requesting the buyback service after the buy back deadline date .
Archives	CWAC	221,889	185,762	407,651	407,651	0		221,889	-	221,889	0	-	A balanced position is forecast for the year	185,762	-	185,762	0	-	A balanced position is forecast for the year
<b>Joint arrangement services</b>																			
Libraries	CWAC	339,997	389,459	729,456	729,456	0		339,997	-	339,997	0	-	East pay a fixed contribution to West and do not incur any additional costs	389,459	-	389,459	0	-	A balanced budget is forecast for the year
Rural Touring Network	CWAC	12,460	12,460	24,920	24,920	0		12,460	-	12,460	0	-	East pay a fixed contribution to West and do not incur any additional costs	12,460	-	12,460	0	-	A balanced budget is forecast for the year
Archaeology Planning and Advisory	CWAC	87,263	66,877	154,140	154,140	0		87,263	-	87,263	0	-	East pay a fixed contribution to West and do not incur any additional costs	66,877	-	66,877	0	-	A balanced budget is forecast for the year
<b>TOTAL</b>		<b>616,372</b>	<b>443,627</b>	<b>1,059,999</b>	<b>1,015,902</b>	<b>44,097</b>	<b>O</b>	<b>519,208</b>		<b>491,677</b>	<b>27,531</b>			<b>540,791</b>		<b>524,225</b>	<b>16,566</b>		

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# Joint Officer Board - Shared Services Strategic Risk Register - Reviewed November 2015

Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Mitigation	Net (as it is now)			Direction	Future Actions	Forecast			Comments
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score	
Maintain and develop long term sharing arrangements between CE and CWAC Councils to ensure that quality of services is maintained to the required standards	1	Divergence of the two councils priorities / culture <b>leading to</b> misalignment of resources and lack of commitment to shared goals <b>resulting in</b> failure of arrangements and breakdown of shared services.	3	4	12	<ul style="list-style-type: none"> <li>• Legal agreements in place, strong approach to governance operating through Joint Committee and Joint Officer Board.</li> <li>• Governance regularly reviewed to ensure that it remains fit for purpose.</li> <li>• Strong approach to business planning linked to clients' objectives and allocation of resources.</li> <li>• Greater stability around remaining long term shared services - Management teams in both authorities have reviewed and agreed direction of travel for the remaining shared services in July 2015</li> <li>- Joint budget challenge embedded and completed in October 2015</li> <li>- Joint agreement on reverting CoSocius service to shared arrangement</li> </ul>	2	4	8	↔	<ul style="list-style-type: none"> <li>• To monitor alternative service delivery developments by both Councils to assess potential impact on remaining shared services e.g. ASDVs, JVs etc.</li> <li>- Review of DOT for remaining shared services October 2016</li> </ul>	1	4	4	
	2	Lack of effectiveness of governance arrangements <b>leading to</b> failure to monitor / poor financial and performance management information / lack of challenge, <b>resulting in</b> poorly informed decision making and failure of shared service arrangements	4	4	16	<ul style="list-style-type: none"> <li>• Governance audit undertaken and learning points implemented.</li> <li>• JOB and SSJC both operational providing regular monitoring of performance and risks and providing direction and guidance.</li> <li>• Long term Service planning and periodic monitoring and regular performance reporting embedded.</li> <li>• All business plans fundamentally reviewed for 2013-16</li> <li>• Joint budget challenge embedded and undertaken in October 2015</li> <li>- Joint Agreement to revert CoSocius services to shared arrangements</li> <li>- CoSocius Transition Programme Board operational and workstream activity underway for 01.04.16 implementation</li> </ul>	1	3	3	↔	<ul style="list-style-type: none"> <li>• Joint Committee due to consider Mid Year Performance Report 2015-16 on 27.11.15</li> <li>• New medium term business plans to be produced for period 2016-2020 by April 2016</li> </ul>	1	3	3	

Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Mitigation	Net (as it is now)			Direction	Future Actions	Forecast			Comments
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score	
	3	Failure to assure transition of service delivery to each Council following agreed disaggregation of shared service leading to imbalance in service provision, resource allocation and disruption to continuing service delivery	3	3	9	<ul style="list-style-type: none"> <li>Requirement to complete transition log subject to regular review at JOB prior to final sign off by SSJC This requires management, HR, ICT, Comms, Legal issues etc. to be resolved in consultation with each authority prior to the dissolution of the sharing arrangement.</li> <li>The Internal Audit Health Check is implemented in transition process to ensure process is robust and that risks to councils are mitigated</li> </ul>	3	3	9	↔	- Programme Board operational to oversee CoSocius operation reverting to shared arrangements by 01.04.16	1	3	3	A review of the remaining shared services suggest that none are likely to disaggregate in the short term however the decision to bring back in services currently delivered by CoSocius (JC 02.10.15) into shared service arrangements requires robust reverse engineering
	4	Inadequate consultation and poor working relationship with Trade Unions leads to low staff morale and increase employee relation issues resulting in barriers to development of shared services,	3	3	12	<ul style="list-style-type: none"> <li>Good working relationships in place.</li> <li>When key projects are live (e.g. SLE) there is regular attendance of union reps at JOB.</li> <li>Formal communication with staff is now on an "as and when required" basis given that there are fewer shared services and more staff transfer arrangements in place.</li> </ul>	2	3	6	↔	<ul style="list-style-type: none"> <li>Need to capture learning and develop an appropriate Communication Strategy based on the experience of the SLE (CoSocius) Staff and Stakeholder Engagement workstream.</li> <li>Union Representatives will be involved in bringing CoSocius back into Shared Service arrangements</li> <li>Need to strengthen communications with CoSocius staff for the duration of project</li> </ul>	1	3	3	
	5	Lack of proven shared service business continuity plans <b>leading to</b> an inability to provide a cohesive and effective response to unforeseen events <b>resulting in</b> inability to deliver sharing arrangements impaction on the operational delivey of both councils.	3	4	12	Audit of Shared Service Business Continuity Plans undertaken on annual basis as part of Business Plan review. Evidence provided that up to date plans in place in all long term shared services	2	2	4	↔	A fundamental review of Business Continuity Plans will be required as part of the medium term business planning process 2016-20	2	2	4	
	6	Insufficient dedicated "operational" management oversight of shared service arrangements and overstretched capacity of existing resource leading to reduced capacity to drive change resulting in inability to promote existing arrangements and facilitate developments.	3	4	12	Capacity to support the Shared Service operation has been reduced considerably owing to the reassignment of the Shared Service Manager from CE. Whilst that day to day activity has reduced commensurate to the remaining number of shared services (6) and the frequency of JOB and JC meetings have been reduced governance requirements still need to be serviced.	3	4	12	↑	Additional resources have been identified to deliver the CoSocius transition project which will also increase capacity to focus on shared service activity up until the implementation date i.e. 01.04.16 Formalisation of these arrangements will help mitigate this risk.	1	4	4	

Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Mitigation	Net (as it is now)			Direction	Future Actions	Forecast			Comments
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score	
	7	Difficulties in aligning different terms and conditions reducing management capacity to focus on the delivery of shared services.	4	3	12	<ul style="list-style-type: none"> <li>HR scenarios developed to assist with emerging staffing issues but require continual review in response to latest developments in consultation with CE and CWAC HR Services</li> <li>Formal Staff Transfer Variations for Libraries SS, APAS and Archives.</li> <li>RTA all CWaC staff</li> </ul>	3	3	9	↓	<ul style="list-style-type: none"> <li>A review of Terms and Conditions across CE, CWaC and CoSocius is required to inform the HR aspects of the transition project</li> <li>Agreement to seek OHU services via alternative delivery arrangements will reduce this risk</li> <li>No issues evident in remaining shared services subject to Secondment Agreement (Farms &amp; Emergency Planning)</li> </ul>	1	3	3	
	9	Lack of shared strategic direction leading to a lack of clarity around shared goals resulting in confusion and a breakdown in trust and shared arrangements.	3	4	12	<ul style="list-style-type: none"> <li>Arrangements underpinned by Administrative and Financial Agreements including clear objectives for sharing.</li> <li>Regular discussion at JOB and Joint Committee concerning development of shared services e.g. Alternate delivery models, capital projects etc.</li> <li>Governance reviewed for remaining shared service arrangements and reported to joint Committee in January 2014.</li> <li>Joint shareholding of CoSocius</li> <li>Incubation period agreed for continued service delivery to ASDV in both Councils with CoSocius to enable company to develop its commercial potential</li> <li>CWAC's Joint Venture for CRM and other services evident.</li> </ul>	3	4	12	↔	<ul style="list-style-type: none"> <li>Implement Joint Committee decision to revert services provided by CoSocius to shared Service arrangements - Joint Programme Board in place</li> <li>Opportunities for further shared activity being explored</li> </ul>	2	4	8	
	10	External / National Budget cuts leading to Shared Services needing to make further budget cuts resulting in reduction in service delivery and reducing viability of sharing arrangements .	4	4	16	Continued uncertainty about government funding beyond 2015. Annual Budget challenge process introduced to inform future plans but some difficulties in delivering identified savings due to changing priorities. Opportunities for efficiencies diminishing increasing the risk of service cut.	4	4	16	↔	<ul style="list-style-type: none"> <li>Ongoing quarterly monitoring of shared service budgets.</li> <li>Potential to explore further sharing opportunities between CE and CWaC</li> <li>Benchmarking of ICT and Transactional services underway</li> <li>Service Catalogues being developed to establish affordability</li> </ul>	2	4	8	Latest CSR due November 15

Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Mitigation	Net (as it is now)			Direction	Future Actions	Forecast			Comments
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score	
	11	Failure to deliver projected savings from Shared Services <b>leading to an overspend against budget resulting in an inability to deliver key services and undermining confidence in sharing arrangements.</b>	4	3	12	<ul style="list-style-type: none"> <li>Service planning and regular financial performance monitoring in place.</li> <li>Financial review undertaken and realignments implemented (e.g. Archives, Farms Est)</li> <li>2014-15 outturn position had an aggregated underspend against budget (£449k).</li> <li>Ongoing Budget challenge process in place and completed in Oct 15</li> <li>Incubation Strategy produced to retain existing clients moving to alternative delivery models</li> </ul>	3	3	9	↓	Continue to monitor budgets and impact of budget proposals and savings generated	3	3	9	Mid Year performance report 2014-15 forecasts £44k overspend across the shared service operation
	12	Lack of capacity in communications team <b>leading to an inability to deliver consistent and co-ordinated messages to all parties resulting in confusion, poor staff engagement and a breakdown in service delivery and shared service arrangements</b>	4	3	12	Shared arrangement with East and West Communications Team and Protocols developed but they lack the capacity to support operational requirement. However the reduction in the number of shared services, the transfer of ICT and HR and Finance to CoSocius and the move to transfer arrangements in Libraries and Archives has significantly reduced the requirement to communicate on a regular basis.	1	3	3	↓	<ul style="list-style-type: none"> <li>To produce communications as and when required.</li> <li>Communications workstream embedded in CoSocius transition project (HR workstream)</li> </ul>	1	3	3	the need for ongoing communication activity has significantly reduced however any future communication activity will be dependent on resolving capacity issues as identified in Risk 6.

## New Risks

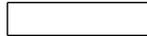
To maximise efficiencies through greater collaboration and partnership working and the exploration of alternative delivery models e.g. bringing services backed into shared arrangements	15	Opportunity to revert to Shared Service arrangements for services currently delivered by CoSocius to enable efficiencies to be maximised and commercial offerings to be refined	4	4	16	<ul style="list-style-type: none"> <li>Joint Committee decision to bring CoSocius services back into shared service arrangements 02.10.15</li> <li>Transition Programme Board set up and workstreams operational</li> <li>01.04.16 Go Live date agreed</li> <li>Hosting arrangements agreed</li> </ul>	3	4	12		<ul style="list-style-type: none"> <li>Transition Programme Risk Log active</li> <li>TOMs to be agreed and put in place</li> <li>Ascertain impact on business continuity and delivery</li> <li>Pre implementation Day 1 testing undertaken by 01.03.16</li> <li>Formalise process for Go / No Go decision – March 16</li> </ul>	2	4	8	Work currently underway to agree how this project will be delivered
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Objective	Risk No	Risk / Opportunity	Gross (without any controls)			Mitigation	Net (as it is now)			Direction	Future Actions	Forecast			Comments
			Likelihood	Impact	Total Risk Score		Likelihood	Impact	Total Risk Score			Likelihood	Impact	Total Risk Score	

## Closed Risks

To maximise efficiencies through greater collaboration and partnership working and the exploration of alternative delivery models e.g. separate legal entity	8	<b>Opportunity</b> to develop a separate legal entity for shared services thereby removing confusion for staff and service users and providing options for further collaboration and trading leading to increased efficiencies and income generation and long term sharing arrangements.	2	2	4	The business case for the set up of an SLE for ICT and HR and Finance was agreed by CWAC (Jan 13) and CE (April 13). A detailed Project Plan was developed to deliver the SLE in shadow mode by 01.10.13 to go live from 01.04.14. CoSocius (the new company ) went live on 01.05.14. Incubation and Commercialisation strategies have been developed to ensure that existing business is retained as both councils explore alternative delivery models for services and new customers are secured.	4	3	12	↑	Although the company went live on 01.05.14 a Transition Board has been put in place to oversee the delivery of a plan to ensure that all benefits of the company set up are captured and that CoSocius is in the best possible shape going forward. This activity will be overseen by the CoSocius Shareholder Board. It is anticipated that a decision on committing to a longer term contract will be forthcoming in January 2015.	3	3	9	The successful completion of the SLE delivery project means that this risk is not longer relevant to the shared services operation and therefore it should be removed from the Strategic Risk Register. However moving forward this risk needs to be picked up by the Transition Board and CoSocius. <b>AGREED AT JOINT COMMITTEE 27.11.14</b>
	13	Failure to implement the new ICT SS Target Operating Model leading an adverse impact on service delivery to clients, reputational damage and reduced staff morale within the shared service	3	4	12	<ul style="list-style-type: none"> <li>CoSocius - the company formed from the ICT and HR and Finance shared services went live on 01.05.14.</li> <li>Incubation Agreements are in place with CE and CWaC ASDV's to preserve customer base for the immediate future.</li> </ul>	1	2	2	↓	To ensure that the Transitional Plan is executed to enable CoSocius to become a fully commercial operation capable of attracting additional partners.	0	0	0	The successful completion of the SLE delivery project means that this risk is not longer relevant to the shared services operation and therefore it should be removed from the Strategic Risk Register. <b>AGREED AT JOINT COMMITTEE 27.11.14</b>
	14	Failure to gain Joint Committee approval for the SLE leading to reduced opportunities to increase efficiencies and trading, wasted effort, continued difficulties with application of the Secondment Agreement and lower staff morale and hindering / preventing the development of long-term sharing arrangements	3	4	12	Joint committee approved the "go live" of CoSocius at a meeting on 21.03.14 with it coming into effect from 01.05.14	0	0	0	↓		0	0	0	The successful completion of the SLE delivery project means that this risk is not longer relevant to the shared services operation and therefore it should be removed from the Strategic Risk Register. <b>AGREED AT JOINT COMMITTEE 27.11.14</b>

Impact		Minor	Significant	Serious	Majc
Likelihood	Very Likely	4	8	12	16
	Likely	3	6	9	12
	Unlikely	2	4	6	8
	Very Unlikely	1	2	3	4



## CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

### SHARED SERVICE JOINT COMMITTEE

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<b>Date of Meeting:</b>	27 <sup>th</sup> November 2015
<b>Report of:</b>	Head of Professional Services, Cheshire West and Chester Council
<b>Subject/Title:</b>	Occupational Health Unit – Procurement of Occupational Health Services 2016

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#### 1.0 Report Summary

- 1.1 At the Joint Committee Meeting on 2<sup>nd</sup> October 2015 there was a report and discussion about the Occupational Health Unit (OHU) where the Committee were informed of the difficulties that had been encountered over the past 2 years and how these were being addressed.
- 1.2 Members therefore agreed to enter into a joint arrangement between Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council to procure occupational health services from an external provider and asked for a brief up-date at the November Joint Committee meeting.
- 1.3 It was hoped that this could be implemented by 1<sup>st</sup> April 2016 which would tie in with Warrington Borough Council's existing contract which is due to end on 31<sup>st</sup> March 2016 (although they have the option to extend the contract for a further 12 months).
- 1.4 Representatives from the three Councils have met to commence the procurement process and identify the issues relevant to each authority. These include:
  - 1.4.1 The scope of the services required by each authority
  - 1.4.2 The use of premises in Cheshire East / Cheshire West (including lease agreements)
  - 1.4.3 TUPE implications for OHU staff
  - 1.4.4 Pension arrangements for staff who TUPE to the new supplier
  - 1.4.5 Transfer of medical records and merging of software systems
- 1.5 A Procurement Initiation Plan (PIN) is being placed on The Chest on-line procurement system to advise potential suppliers that there is a contract being planned. A 'Supplier Information Day' has been organised for 9<sup>th</sup> December 2015 in order that potential suppliers can be advised of the scope and nature of the contract before entering into

a formal bidding process. This will also be the opportunity for them to ask questions of a broad nature before the detailed 'Invitation to Tender' document is produced.

- 1.6 However, it has become apparent that with the large amount of work associated with this procurement exercise, the 1<sup>st</sup> April 2016 deadline will not be achievable, however a start date of 1<sup>st</sup> September 2016 would be achievable and this would also tie in with the ChESS / SBSA services to schools' contract which follows the academic year.
- 1.7 At the Joint Committee meeting on 2<sup>nd</sup> October 2015, Members requested clarification on 4 points:

1.7.1 How the quality of the service would be monitored?

The quality of the service would be monitored by a nominated officer from each Authority who would regularly meet the supplier to review service delivery and ensure the KPIs were being met. The KPIs would be outlined in the contract documentation

1.7.2 What would be the working relationship with Warrington Borough Council?

The relationship with Warrington Borough Council would be outlined in a Memorandum of Understanding which would stipulate the role that each Authority would play in both the procurement process and monitoring of the contract

1.7.3 How would the procurement process work?

A project group consisting of the Health and Safety Managers from Cheshire East and Cheshire West; the Senior HR Manager from Warrington and procurement officers from all three Authorities has been established. A Procurement Information Notice (PIN) will be put on The Chest and a supplier information day has been arranged for 9<sup>th</sup> December 2016.

The tender would be for the provision of occupational health service to Cheshire East and Cheshire West from 1<sup>st</sup> September 2016 and to Warrington Borough Council from 1<sup>st</sup> April 2017.

All three Authorities would agree the tender and agree on the scoring mechanism for evaluating tenders and ultimately awarding the contract.

1.7.4 How would Members monitor the service?

Monitoring of the service would be by Portfolio Holders in each Authority.

**2.0 Decision Requested**

2.1 The Committee are therefore asked to note the updated information and agree to the new start date for the contract as highlighted in 1.6

**3.0 Reasons for Recommendations**

3.1 If the 1<sup>st</sup> April 2016 start date was used, this would not give time for all the issues highlighted in 1.4 of this report to be completed.

**4.0 Wards Affected**

4.1 None

**5.0 Local Ward Members**

5.1 None

**6.0 Policy Implications**

6.1 There are no policy implications in terms of climate change.

**7.0 Financial Implications**

7.1 The occupational health budgets for Cheshire East and Cheshire West and Chester for 2016 / 17 would be proportioned accordingly to pay for the in-house provision for 1<sup>st</sup> April 2016 – 31<sup>st</sup> August 2016 and the external provision from 1<sup>st</sup> September 2016 – 31<sup>st</sup> August 2017.

**8.0 Legal Implications**

8.1 Cheshire East Council and Cheshire West and Chester Council will have to make arrangements for Occupational Health staff to transfer their employment to the new supplier under TUPE arrangements.

8.2 In terms of health and safety legislation, there are no legal implications as long as both councils continue to provide occupational health for employees including statutory medicals and health surveillance.

**9.0 Risk Management**

9.1 If the 2 authorities fail to provide timely occupational health support for employees this could increase the amount of time that employees are off sick.

**10.0 Background and Options**

10.1 The options are highlighted in section 3 of the main body of the report

**11.0 Access to Information**

11.1 The background papers relating to this report can be inspected by contacting the report writer:

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Designation: Health and Safety Manager

Tel No: 01244 972229

Email: [eric.burt@cheshirewestandchester.gov.uk](mailto:eric.burt@cheshirewestandchester.gov.uk)

# CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

## SHARED SERVICES JOINT COMMITTEE

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<b>Date of Meeting:</b>	27 November 2015
<b>Report of:</b>	Cheshire East – Chief Operating Officer Cheshire West & Chester – Head of Finance
<b>Subject/Title:</b>	Shared Services Project Update.

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### 1.0 Report Summary

The purpose of this report is to update members on the progress being made on key change projects within the Shared Service arrangements between Cheshire West and Chester Council and Cheshire East Council. In particular it highlights progress in two areas: Archives and Local Studies and the Archaeology Planning and Advisory Service (APAS).

### 2.0 Recommendations

- 2.1 To note the progress on the delivery of the Cheshire Archives and Local Studies Relocation Project, and;
- 2.2 To note the progress on the second phase of the service review of the Archaeology Planning Advisory Service.

### 3.0 Reasons for Recommendations

- 3.1 The interim report on current review activity aims to ensure that the Joint Committee is up to speed with recent developments concerning the remaining Shared Service arrangements.

### 4.0 Wards Affected

- 4.1 This report relates to Shared Services that operate across both Cheshire East and Cheshire West and Chester so all wards are affected in both Councils.

### 5.0 Local Ward Members

- 5.1 Not applicable.

### 6.0 Policy Implications

- 6.1 None.

## **7.0 Financial Implications**

- 7.1 The purpose of the Archives project is to establish alternative premises for the Cheshire Archives. Once a solution has been identified the costs for premises will be met in part through the capital programmes in each council although it is anticipated that this will be supplemented by an external funding from the Heritage Lottery Fund (HLF).
- 7.2 A key reason for APAS being a shared service is the ongoing maintenance of the Cheshire-wide Heritage Environment Records (HERs) which would be costly to split. In the event that a shared way forward for APAS cannot be achieved and required the splitting of the HERs this is likely to incur significant cost for both Councils.

## **8.0 Legal Implications**

- 8.1 The Administrative Agreement sets out the overall arrangements in relation to the manner in which the Authorities will work together. The Shared Service Agreement and, in this case, (Staff) Transfer Agreements set out the mechanisms for disaggregating transitional Shared Services.
- 8.2 The agreed Archives staff transfer was completed on 01.10.15 but this in no way determines the future location of the Service.
- 8.3 APAS operates on the basis of a renewable legal agreement which is due to expire on 31.03.16. It is anticipated that the review activity underway will inform the next iteration of the Agreement although at this stage the duration of the arrangement is still to be determined i.e. 12 months or a longer period.
- 8.4 Further legal advice will be required as the project develops on such matters as vires, procurement, contractual, grant funding, employment and property. Other legal advice may be required depending on the future direction of this project.

## **9.0 Risk Management**

- 9.1 The capital bidding processes of each council will need to be coordinated, so as to ensure the parallel progress of the Archives accommodation project through both councils and to reduce duplication of effort. It is anticipated that the Shared Services Budget Challenge session held in October 2015 has gone some way to mitigating this risk.
- 9.2 Accessing external funding streams will be fundamental to the delivery of alternative Archives accommodation. Initial enquiries with HLF suggest that the development of innovative service delivery will be a deciding factor in terms of success. It is important to ensure that sufficient effort is put into this aspect of the project if it is to reduce the risk of an external funding bid failing.

- 9.3 There is a risk that if an agreed way forward on APAS cannot be achieved between the two councils the current arrangements will need to be rolled forward or the service will need to be disaggregated at significant cost to both Councils.

## 10.0 Background and Options

- 10.1 The remaining Shared Services are underpinned by formal legal agreement put in place in April 2009. These require that current business plans and service delivery statements are maintained to provide an overview of the Shared Service operation, objectives and any activity to improve service delivery to clients.
- 10.2 In October 2015 a report proposing the future direction of travel for the remaining seven shared services was endorsed by the Joint Committee thereby setting the context for delivery going forward. This highlighted current and planned review activity for two shared services as summarised below.

REF	SERVICE	HOST	RECOMMENDATION
A06	Archives and Local Studies	CWAC	That this continues “as is” until the future premises issue is clear but consideration be given to completing the agreed staff transfer to address inequalities in terms and conditions of employment.
B14	Archaeology Planning and Advisory Service (APAS)	CWAC (Transfer)	Develop in consultation (CWAC and CE) a revised arrangement (shared or otherwise) for the provision of Archaeological planning advice and management of the HERS before 01.04.2016

The purpose of this report is to update members on the progress being made in each case.

## 11 Cheshire Archives and Local Studies

- 11.1 In July 2012 a report was received outlining the conclusion of a strategic review of the Cheshire Archives and Local Studies Service. This followed an inspection by The National Archives exercising its powers under the Public Records Acts and the Royal Commission on Historical Manuscripts. Their findings spelled out, amongst other things, the need for a long-term solution to address the service’s accommodation issues.
- 11.2 The Archives Review report set out a long-term vision for the service including the need to provide accommodation capable of providing facilities that would meet the expectations of customers; enable the delivery of a broader range of services, and; deliver a wider range of outreach activities for communities and remote users. Consequently a project was instigated and work is being progressed with a view to realising this vision.
- 11.3 Late in 2014 it was agreed that the search for a suitable alternative site for the Archive would focus on three locations: Chester, Crewe and Winsford with the potential for a two site solution not being ruled out. However prior to determining the accommodation requirements it was agreed that the Archives

Service needed to focus on shaping service delivery to meet future demands not least in terms of technological developments. It is considered that developing this vision will be fundamental to informing a successful Heritage Lottery Funding (HLF) bid and thereby securing external funding.

- 11.4 Consequently much of the recent activity on the Archives Relocation Project has focused on improving service delivery which will in turn go on to inform a further site appraisal. It is anticipated that a service delivery options assessment will be completed by the end of 2015 and reported to the Joint Committee early in the new year together with a firm timeline for the next stages of the project.
- 11.5 During the course of this activity the Archives Shared Service has been subjected to a further inspection under the new National Archives Accreditation Scheme. The inspection findings are imminent and an update on the key outcomes will be provided at this meeting.

**12 Archaeology Advisory and Planning Service (APAS)**

- 12.1 This Shared Service operates under a transfer arrangement put in place in July 2011. This ran until March 2014 however prior to its renewal it was considered timely to review APAS and its capacity to continue to meet the needs of both clients going forward. It was also important to assess the impact of national developments concerning local authority delivery of conservation type services.
- 12.2 The outcomes from the review were reported to this Committee in March 2015 and a summary of progress is noted in the table below:

<b>APAS REVIEW 2014-15 - SUMMARY OF RECOMMENDATIONS AND PROGRESS</b>		
1	Incorporation of APAS into phased roll out of CWAC Total Environment Make or Buy project implementation programme,	Work on developing CWaC's Total Environment model continues with the intention of having a business plan in place by 2016-17 however the inclusion (or not) of APAS will be dependent on the outcomes arising from further anticipated discussions at a regional level
2	Future consideration of APAS as part of a CWAC Cultural Trust subject to further discussion and agreement with CEC about the future of the service.	Consultation is currently underway on the future delivery options for a number of cultural services within CWaC. APAS is referenced within the consultation documentation but discussions around this issue have not been substantively advanced.
3	Submission of paper to English Heritage to explore closer working with and between local authorities and English Heritage.	A paper aimed at exploring the potential for closer working was submitted to English Heritage earlier in the year but a response remains outstanding. Further enquiries are to be made with their North West Regional Director  Discussions with the Merseyside Environment and Archaeology Service

		(MEAS) have commenced regarding opportunities for closer working with CWaC's Total Environment Service. Options to include APAS in this arrangement will be explored.
4	Reassessment of the current Shared Service Agreement between CWAC and CE to determine the most appropriate and effective means of joint working arrangements in the light of the wider scope of developing service delivery options and commercial opportunities.	Current sharing arrangements are in place until 31.03.16 and discussions are underway to assess the options for joint working beyond this date. These will need to be informed by discussions underway at the regional level.
5	Progress discussions with English Heritage on additional work carried out by APAS in the Chester Area of Archaeological Importance.	Further enquiries with English Heritage suggest that there is no scope for increasing income generation through this activity given the reciprocal nature of work undertaken by them on projects within Chester City Walls
6	Continued exploration of potential for closer project working with Chester University	Enquiries with Chester University suggest that they are not interested in providing a Archaeology Planning Advice Service however they are willing to take on activity linked to the annual Archaeology Day. This will free up modest capacity in APAS to focus on planning issues.
7	Development of Charging Schedule for selected archaeological development management services	Further discussions around charging have taken place but a definitive position is to be agreed on the detail of or the requirement for a schedule related to development management services.
8	Restructure Service to reduce staffing costs	Amendments to the management and staffing structure have been completed and have achieved modest savings for both Councils

12.3 As noted above the second phase of this review activity has commenced to determine the most appropriate and effective means of joint working arrangements post 31 March 2016. This needs to take account of the wider scope of developing service delivery options and commercial opportunities currently being explored in CWaC. A recommended way forward will be reported to the Committee in due course.

### 13.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writers:

*Officer: Peter Bates, Chief Operating Officer – Cheshire East Council /  
Mark Wynn, Head of Finance – Cheshire West & Chester Council*  
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Email: [peter.bates@cheshireeast.gov.uk](mailto:peter.bates@cheshireeast.gov.uk) /  
[markwynn@cheshirewestandchester.gov.uk](mailto:markwynn@cheshirewestandchester.gov.uk)

### **Background Documents:**

*Documents are available for inspection at:*

*Cheshire East Democratic Services*

*Westfields*

*Middlewich Road*

*Sandbach*

*CW11 1HZ*

*or:*

*Cheshire West & Chester Democratic Services*

*HQ Building,*

*Nicholas Street,*

*Chester,*

*CH1*

# CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

## SHARED SERVICES JOINT COMMITTEE

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**Date of Meeting:** 27 November 2015

**Report of:** Cheshire East – Chief Operating Officer  
Cheshire West and Chester – Head of Finance

**Subject/Title:** CoSocius Service Reviews

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### 1.0 Report Summary

- 1.1 The purpose of this report is to update Members on the progress being made in the delivery of the Service Review programme which Members approved at the meeting of this Committee on 27 February 2015.
- 1.2 This report will be accompanied by a summary presentation, which highlights key messages to Members, and is supported by the detail which follows in this document.

### 2.0 Decisions Requested

Members are asked to:

- 2.1 Note the progress in delivery of the transactional services benchmarking review; and
- 2.2 Note the progress to date with the series of service reviews underway and the opportunities for collaboration and sharing across both Councils identified so far.

### 3.0 Reasons for Recommendations

- 3.1 To update Members on the progress to date in delivery of the Service Review programme and the direction of travel for each review subject at the time of reporting.

### 4.0 Report Background

- 4.1 This committee at its meeting on 27 February 2015 approved a programme of work to review the delivery of applications and services by CoSocius to the two Councils. Two significant components of this review programme were:
  - The completion of a benchmarking review of the transactional services (HR contract management and payroll, payments and income), to ensure prices are in line with industry standards; and
  - The completion of a series of “service reviews”, focussing on the key applications and systems provided by CoSocius to the Councils, assessing

the extent to which current and future service offerings meet the strategic requirements of the Councils, both as CoSocius customers and shareholders.

- 4.2 At the meeting of this Committee on 2 October 2015, Members were provided with an update on progress since the inception of the programme. Members also approved a separate series of recommendations relating to the delivery of CoSocius services as in-house Council shared services.
- 4.3 This report will provide an update to Members on the key themes and issues arising from the work to date, and an indication of the direction of travel for each area of review. It will also identify where relevant the impact of the separate CoSocius programme of work to transfer services back into the Councils.

### **5.0 BENCHMARKING OF TRANSACTIONAL SERVICES**

- 5.1 An independent third party, Waterstons Ltd, have been appointed to carry out the benchmarking exercise approved by Members at the February Committee meeting. Fieldwork has taken place during September and October 2015. Waterstons have undertaken a "request for quotation" exercise to determine what other comparable providers in the market would seek to charge for a similar set of services as those provided to date by CoSocius to the Councils.
- 5.2 Waterstons have issued their final report, and their findings are summarised below.
- 5.3 The response from the marketplace to the exercise has been unusually poor when compared to their usual experience in undertaking such a review. 17 suppliers were contacted, 11 agreed to participate, but ultimately only one supplier formally responded to the exercise. Waterstons speculate that this could be due amongst other things to:
- A limited number of suppliers with public sector credentials who provide the breadth of services and the volume of activity currently utilised by the Councils;
  - A limited number of contracts available via government procurement frameworks;
  - The large service providers who might be expected to engage in such a process refusing to do so unless they were allowed to make direct contact with the Councils as part of the process, threatening the anonymity of CoSocius and the Councils;
  - The possible expectation that this exercise would lead to a future full-scale OJEU-compliant procurement exercise, at which point some suppliers may have chosen to engage in discussions; and
  - An unwillingness at this stage to provide estimated costings in case this limited the scope for negotiations during a formal procurement exercise.
- 5.4 The single supplier which chose to participate provided HR & Payroll transactional costing data only. Combined with access to other pricing information and intelligence by Waterstons (which was offered with caveats around relevance to the exercise), it appears that CoSocius charges for these services are broadly in line with the marketplace.

- 5.5 No transactional costing data relating to Payments and Income was obtained through this formal exercise. However, via access to other pricing information and intelligence by Waterstons (again offered with caveats), it appears that CoSocius charges for these services are broadly in line with the marketplace.
- 5.6 In conclusion, a limited but positive degree of assurance has been provided through this exercise around the extent to which CoSocius transactional services represent value for money when compared to other providers in the marketplace.

**6.0 SERVICE REVIEWS – PROGRESS UPDATE**

- 6.1 The programme of service reviews approved by Members at the previous Committee is set out below, showing proportion of total application support costs charged by CoSocius to the Councils for each review:

Tranche 1 – April '15 to December '15	Tranche 2 – October '15 to May '16
Enterprise Business Systems (50%)	Revenues and Benefits (5%)
Health & Social Care (Adults & Children) (3%)	Cash Receipting and Income Management (2%)
End User Computing (desktop, mobile, etc) (11%)	Highways (1%)
Geographic Information Systems (3%)	Children and Young Persons (1%)
Business Intelligence and Reporting (2%)	Document Management (1%)
Schools Information System (0%)	Elections (1%)
Resource Planning (Homecare) (1%)	Environmental Health (1%)
Customer Service (5%)	Transport (1%)
Planning and Building Control (3%)	

CoSocius cost associated with Tranche 1	CoSocius cost associated with Tranche 2
£5.1m	£0.83m

- 6.2 The scope each review previously agreed with Committee is outlined in Appendix A to this report. However it should be noted that the Children and Young Persons review from Tranche 2 has now been amalgamated with the Health and Social Care review, and the Environmental Health review from Tranche 2 now forms part of much broader “Planning and Regulatory Services” review, as approved by Members at the last meeting of this Committee.
- 6.3 A five stage service review methodology was approved by the Committee. Since the decision to initiate a programme of work to bring delivery of CoSocius activities back into the Councils, this methodology has by necessity been reviewed and amended.
- 6.4 The revised approach reduces the emphasis on the need for a decision to be taken on a “competitive” choice between a proposal from CoSocius reflecting a strong focus on the company’s commercial opportunities, and a third party option identified by the Councils through market testing. Instead, all three organisations are now working collaboratively to identify and commission the most appropriate solutions and the most cost-effective hosting and support models, to ensure both Councils’ requirements are met at an acceptable cost, and with CoSocius’ ICT

Delivery team – in due course to become part of Cheshire East Council - playing an appropriate and agreed role in each case.

- 6.5 The updated methodology is outlined at Appendix B to this report.
- 6.6 In practice, all three organisations are working positively towards identifying wherever possible a shared vision and approach to delivery of key systems and services, using technology as a platform for discussions with the business around common and/or shared processes where possible. It is expected that while financial savings will be achievable through greater sharing of systems and underlying technologies, the opportunities from increased sharing and collaboration on business process design and delivery will also be significant.
- 6.7 Progress against each Tranche 1 review is outlined below.

### **Enterprise Business Systems**

- 6.8 Very positive progress is being made with this review. The Councils have produced a joint “Enterprise Resource Planning” (“ERP”) strategy and a set of “capabilities” using an industry-standard methodology, setting out the features which are deemed to be “must haves” and “nice to haves” from a future ERP solution. This view addresses both the Councils as customers of the solution, and the Transactional Services team within CoSocius, which in due course will rely on the ERP solution to deliver services to both Councils as part of the new shared service arrangements to be hosted by Cheshire West and Chester Council.
- 6.9 As previously reported, early market consultation has identified a clear trend whereby local authorities are tending to move away from the large “tier 1” providers towards less costly “tier 2” providers.
- 6.10 Soft market testing is now underway. Both Councils and CoSocius are engaged in a series of workshops with a mix of software vendors and “resellers” – the latter being organisations who work alongside software vendors to deliver system implementations.
- 6.11 All suppliers and resellers participating in these sessions have had sight of the Councils’ shared ERP strategy, and have responded to a pre-workshop questionnaire which helps to gather information on how the solutions meet our key strategic requirements such as cost-effectiveness, flexibility and scalability, ease of use, and security.
- 6.12 Through these soft market testing sessions, key stakeholders across all three organisations are gaining sight of a range of potential solutions on the market, with a view to concluding on the question of whether the Councils require a “tier 1” or “tier 2” product, the extent to which separate but aligned solutions for Financials and HR / Payroll would be suitable, and the possible implementation approaches that could be adopted. Where appropriate, subsequent discussions with reference sites will be held following the conclusion of the soft market testing sessions, to further inform the Councils’ view on the most appropriate solution to deliver our needs, ahead of a formal procurement exercise in 2016.

- 6.13 The sessions are also expected to inform a full set of defined business requirements (building on the existing “capabilities” analysis) which will support a formal procurement exercise. A final decision on the actual product to be implemented will be made through this formal procurement process.
- 6.14 The soft market testing does not rule out any supplier or product once the formal procurement stage is reached. Nor does the involvement of suppliers / products in the soft market consultation stage necessarily mean they will be selected via the procurement process.
- 6.15 By the time of the next Committee meeting in January 2016, it is expected that:
- A decision will have been reached on the functionality which the Councils believe they wish to procure;
  - An agreed set of requirements will have been signed off ahead of a formal procurement exercise; and
  - Ahead of implementation, a programme team will have been established to begin a series of preparatory activities which are required to ensure the implementation programme hits the ground running once procurement activity is complete.
- 6.16 Initial work is also underway in parallel to gather requirements in relation to the Tranche 2 service review, **Cash Receipting / Income Management**.

### **Health and Social Care / Children and Young Persons**

- 6.17 Despite both Authorities using the same core applications to deliver social care across Adults and Children’s Services (“Liquid Logic” and “Controcc”), the system has to date been procured differently, deployed and hosted differently, and is supported differently, across the two Councils, and even within each Council for the Adults and Children’s user base in each organisation. The same is true of the core system which supports Children and Young Persons services (“Tribal”). The two Councils also currently use a different combination of Liquid Logic and Tribal “modules” in order to deliver the same outcomes.
- 6.18 Given the historic procurement routes and differing contractual positions which currently exist as a consequence, both Councils are undertaking appropriate contract renewal activities to ensure current arrangements remain legally compliant, while allowing the objectives of the service review to be pursued.
- 6.19 This is a complex review with many interested stakeholders. A detailed engagement plan has been developed and is underway. Initial meetings have been held with key stakeholders in relation to Adults and Children’s social care delivery in both organisations, and meetings with stakeholders relating to Education services (in respect of the expanded scope of this review) are underway. This is against a backdrop where both Councils are already working collaboratively on certain initiatives such as the Cheshire Care Record and Integrated Early Support. There is a need to ensure the work on these specific initiatives are aligned to maximise the outcomes which can be achieved from the multiple funding streams which are currently available to support this work.

- 6.20 The two Councils have already expressed an openness and willingness to explore collaborative working, initially on procurement approach, underpinning technical infrastructure and/or support arrangements, and in the longer term on common or shared delivery processes which make best use of a common and shared technology solution. The CoSocius contribution to this review will initially focus on a professional ICT Delivery recommendation on the most appropriate hosting and support model, having regard for the existing models currently in place and the pros and cons of each.
- 6.21 It is also expected that existing commissioned change activity in this area, particularly in relation to delivery of Care Act requirements, will help to confirm business requirements across both Councils and to inform the solution proposal which the three organisations work towards.
- 6.22 By the time of the next Committee meeting in January 2016, it is expected that:
- Both Councils, with CoSocius, will be working towards agreeing a preferred delivery and support model for the core Social Care and Education products, and on the extent to which those products are used in tandem to deliver the breadth of functions and services required;
  - Both Councils will have undertaken contract renewal / compliance activities to safeguard the ongoing delivery and support of the relevant products while such decisions are being taken; and
  - Both Councils will also be working with CoSocius to agree a preferred delivery method for certain other key components of the Health and Social Care agenda driven by the Care Act.

### **End User Computing**

- 6.23 A great deal of activity in relation to this review is being driven forward through the “Infrastructure Programme” which CoSocius has proposed to the two Councils, as mechanism for delivering the Councils’ shared “Microsoft First” strategy.
- 6.24 At the time of reporting, this strategy has been signed up to by both Councils and CoSocius. A series of specific product decisions over the remainder of the financial year 2015/16 are now being taken following an assessment of existing tools in use and the Microsoft options available to replace them. This will ensure a joint and collaborative approach to delivery of key end user computing components, including:
- Microsoft Office 365 – delivery of email and Office products such as Word and Excel from the “cloud” rather than from locally-managed facilities;
  - Cloud-hosted storage of data using Microsoft Azure
  - Skype for Business – delivery of telephony via a user’s PC rather than via a dedicated (and costly) telephone connection; and
  - Other end user computing functions such as encryption, anti-virus protection, and flexible delivery mechanisms which support flexible access to the Councils’ key systems.

- 6.25 The remaining component of this review relates to requirements around asset management – in other words, the process of managing computing devices from their initial procurement and setup through to their decommissioning and disposal. The CoSocius response to these requirements is being developed outside the Infrastructure Programme and will be reviewed alongside market testing outcomes in due course.
- 6.26 By the time of the next Committee meeting in January 2016, it is expected that:
- Both Councils, with CoSocius, will have signed off the Infrastructure Programme for the delivery of some of the End User Computing requirements, with the remainder timetabled for Q1 2016; and
  - An Asset Management proposal will be in development by CoSocius, and will have been compared to the market through appropriate external engagement.

### **Geographic Information Systems (GIS)**

- 6.27 GIS is a system which exists in its own right as a method of managing a range of geographic data sets, and which also integrates to a number of line of business systems which rely on that geographic data. Both Councils use an existing system which is ageing and which requires replacement.
- 6.28 All three organisations have already been working collaboratively for some time on defining business requirements and developing potential solutions including an understanding of the implementation cost of those solutions. There are clear opportunities for both authorities to share a solution, supplier and an appropriate support wrap.
- 6.29 At the time of reporting, CoSocius are developing a “hybrid” approach which combines some elements provided by the Councils’ existing GIS supplier, supplemented with some elements which use “open source” software, and are undertaking a proof of concept exercise to develop an understanding of the implementation costs of this approach. This work is expected to conclude in January, but a view on likely implementation costs will be available to the Councils imminently.
- 6.30 In parallel, the Councils are working with our existing GIS supplier on a trial of their new product, to review the feasibility of a pure third party solution, and to inform an estimate of costs based purely on this approach. This work is expected to report back in December.
- 6.31 Alongside this activity, soft market testing will be carried out, recognising the well-developed marketplace for GIS products, to determine whether working with other suppliers may offer alternative solutions which offer better value for money.
- 6.32 By the time of the next Committee meeting in January 2016, it is expected that:
- Both Councils, with CoSocius, will have agreed on a preferred approach to delivery of a GIS platform and solution, including the extent of the service wrap provided by CoSocius, and the roles and responsibilities which must exist within the Councils to support effective GIS delivery.

## **Business Intelligence and Reporting**

- 6.33 This Service Review is focusing on the key strategic questions to be addressed by Business Intelligence (“BI”), and on the strategic adoption of an incumbent CoSocius-hosted corporate BI tool – Microsoft Business Intelligence (MSBI), to help address these. The costs and benefits of migrating existing 'legacy' reports into MSBI are also being considered. The roles required to support a successful corporate BI tool, including any opportunities for synergies across organisations, will also be referenced (with due regard to the relationship with GIS roles, noted in the previous section).
- 6.34 Both Councils have articulated their Strategic Intelligence vision, and have worked collaboratively with CoSocius subject matter experts via a series of practical workshops to develop a mutual understanding of how MSBI can be used (potentially in conjunction with other specialised enquiry and presentation tools) to deliver this vision.
- 6.35 In parallel, CoSocius are in the process of developing a view of the likely implementation costs for a future set of strategic reports. This cost estimate can be flexed based on a range of assumptions such as report complexity, number of data sources, etc. This will be used to support ongoing discussions with the business on the cost of developing new reporting capabilities, and will also inform an assessment of the business case for migrating legacy reports using non-MSBI tools to the strategic platform.
- 6.36 Limited soft market testing will focus on an evaluation of alternative MSBI suppliers to understand whether the costs of migration to the CoSocius solution represent best value for the Councils or whether working with alternative solution providers may deliver a more cost effective approach. As an in-house incumbent solution already exists, it is expected that the outcome of this review will be a validation of the value proposition from the CoSocius product, which will support ongoing discussions with business stakeholders around the commissioning of new work.
- 6.37 By the time of the next Committee meeting in January 2016, it is expected that:
- Report development cost estimates will have been finalised by CoSocius;
  - Soft market testing will have confirmed the value for money proposition in the CoSocius cost estimates for report development; and
  - A decision will have been reached on whether a business case exists for the migration of some or all legacy reports to MSBI in the short term, balancing migration costs against the ongoing cost of supporting legacy platforms.

## **Schools Information Management System**

- 6.38 Although CoSocius provides a wide range of services to local authority schools, this review focusses on the Capita SIMS product, being the widely used system to deliver schools management and reporting capabilities to all types of school across the two Boroughs.

- 6.39 Through this review the Councils have confirmed their statutory reporting requirements and have expressed a shared requirement to explore how these can be met in a timely and cost effective manner.
- 6.40 Schools have discretion over the package of services purchased from CoSocius and make these decisions on an academic year basis. Hence any alternative delivery models for the provision of statutory reporting information to the Councils must also be attractive to the schools community.
- 6.41 CoSocius are developing two proposals for consideration. One centres around a mechanism already in place for Cheshire East Council and its schools, which is costly compared to the equivalent Cheshire West and Chester Council mechanism but which provides more timely and relevant data to the Council. The other offers a cloud-hosted approach to delivering the SIMS product, which allows a centralised approach not only to support to the system, but also to the extraction and provision of statutory data requirements to the Councils.
- 6.42 By the time of the next Committee meeting in January 2016, it is expected that:
- CoSocius will have developed their proposals for delivery of SIMS to schools and reporting requirements to the Councils, with a preferred option being clear;
  - Discussions and negotiations with schools will be underway regarding the preferred option and the implications for schools wishing to migrate from the current hosting and support model, with a view to decisions being taken in time for the 2016-17 academic year.

### **Resource Planning - Homecare**

- 6.43 The existing homecare resource planning system is hosted by CoSocius and operated on an entirely shared basis by both Councils. The system is used to allow staff who deliver home care services to vulnerable service users to manage their schedule while on the move. The existing system has reached end of life and will no longer be supported or indeed functional from February 2016.
- 6.44 Both Councils have expressed a desire to move urgently to a disaggregated cloud-hosted version of the product. Cheshire East has led on a procurement process using a procurement framework which would deliver a cloud version of the current system. Requirements have been defined by Cheshire East and confirmed as appropriate by Cheshire West and Chester.
- 6.45 Cheshire East have signed a contract with the supplier for the new system, and CoSocius have provided an implementation proposal to support the migration from the legacy system. Cheshire West and Chester are working through a procurement process urgently, with a view to making a decision on the supplier of the replacement system, before commissioning CoSocius to deliver the same implementation proposal.
- 6.46 By the time of the next Committee meeting in January 2016, it is expected that:
- The implementation of the replacement system will be well in hand and close to delivery.

## Customer Services and Website

- 6.47 This review focusses on the systems being used to deliver customer services, ensuring they are the best choice of solution for delivering the “digital by design” agenda that will enhance customer service whilst allowing savings to be made through increased efficiency in how these services are delivered, eg a greater focus on self-service and online transactions rather than telephony or face-to-face interactions with the Councils.
- 6.48 The Councils’ strategies for delivery of customer services vary significantly, with CWaC having entered into an arrangement with a third party to form Qwest, while CE deliver customer services as an in-house function, working with a strategic partner for delivery of Council digital services.
- 6.49 Having appointed a strategic delivery partner, Cheshire East are now in the process of determining which components of their Digital solution will be delivered using their partner’s product set, and which elements will remain within the Council’s control and commissioned alongside their external partner’s solution. The latter components represent opportunities to work collaboratively with Cheshire West and Chester / Qwest.
- 6.50 Qwest has inherited Cheshire West and Chester’s Customer Relationship Management system Lagan, but is actively reviewing alternative solutions with a view to procuring a strategic solution in the near future. The opportunity to work collaboratively with Cheshire East on this product may introduce benefits in terms of reduced cost of operation per customer, but this will be considered alongside the costs and benefits of other solutions and providers. Discussions between Qwest and Cheshire East are progressing at a senior level to review these opportunities.
- 6.51 Qwest are also in the process of identifying their preferred solution in relation to customer-facing website delivery to CWaC and their citizens. Again, the opportunity to collaborate on a solution with Cheshire East is available, but ultimately the decision on this lies with Qwest as a commercial entity.
- 6.52 Both Councils use Avaya telephony and call centre management systems. The user base for Avaya is likely to diminish as a consequence of the migration of mainstream users to the Skype For Business product and/or an increase in the use of mobile telephony to deliver this product to users. As such, both Qwest and CE are reviewing their requirements in terms of the unique demands of a call centre environment, with a view to making a decision on whether Avaya remains the most appropriate solution. There is greater opportunity to work collaboratively in this regard, despite the divergent business strategies being pursued by the two Councils. Qwest are positive about the opportunity to undertake soft market testing in partnership with CE as a means of driving out third party cost savings for provision of this facility.
- 6.53 By the time of the next Committee meeting in January 2016, it is expected that:

- Qwest will be progressing towards conclusions on the products they intend to procure and implement to deliver customer relationship management and website content management capabilities on behalf of CWaC, and the CoSocius role in delivering these capabilities will be confirmed alongside those product decisions;
- Business requirements in relation to contact centre telephony requirements will have been defined, and soft market testing to review the incumbent provider against alternatives will be under way, with all opportunities for Qwest and CE to work together being pursued.

### **Planning and Building Control / Regulatory Services**

- 6.54 The original scope of this review was already broad, with a complex set of stakeholders to engage. However, as the existing products in use to support these business areas are also in use across a number of other services (particularly in CWaC), the scope has been broadened to cover these other service areas, primarily Regulatory Services, with a view to selecting a solution which meets the needs of multiple stakeholders, and which can significantly increase the extent to which solutions are shared and implementation jointly.
- 6.55 The solution used by CWaC, "IDOX", is a well regarded product which offers a modular approach and which could be used to deliver services in other parts of the Council, potentially allowing some existing applications to be decommissioned. Conversely, the solution used by CE for Planning and Building Control in particular, "Swift", is an aging product which is relatively costly and which presents significant ongoing support risks to the Council. However, other products exist in the marketplace which will be considered when determining the most appropriate solution for both Councils and the diverse range of services within scope of this review.
- 6.56 By the time of the next Committee meeting in January 2016, it is expected that:
- Stakeholder engagement will be well underway, with some early conclusions being available on likely direction of travel in terms of preferred product and preferred hosting and support model.

### **Tranche 2 reviews**

- 6.57 Resourcing demands resulting from the ongoing service review work alongside business as usual and the impacts of the decision to bring CoSocius services back in-house have meant that progress on the Tranche 2 reviews so far is relatively limited. Discussions are in hand across CWaC Business Technology Solution, CE ICT Strategy, CoSocius Applications Support and the Service Review team to identify how best to take these reviews forward in response to these competing demands, and the extent to which additional resources may be required to support this work. It is expected that any additional resources would be affordable within the budget allocated to this programme.
- 6.58 In summary:

- Requirements relating to Cash Receipting & Income Management have been gathered at a high level as part of the Enterprise Business Systems review;
- Business led discussions are underway with the incumbent supplier of both Councils' Highways system to develop proposals for future system delivery;
- CWaC are driving forward a review of the incumbent Transport system, which is an aging product in use by both Councils. Requirements are being defined to support soft market testing. The service review approach will be used to engage CE in this exercise and to agree a shared approach to future solution delivery.
- Activity on Document Management is at an early stage, with a key CWaC supplier being invited to showcase their products to identify possible opportunities for consolidation;
- Activity on Revenues & Benefits and Elections has not yet begun.
- Two Tranche 2 reviews (Children & Young People, and Environmental Health) have been subsumed into existing Tranche 1 reviews (Health & Social Care, and Planning & Building Control respectively).

### **7.0 Next Steps**

- 7.1 The programme of work to deliver the reorganisation of CoSocius service delivery, in support of the decisions taken at the previous meeting of this Committee, is being developed. The mutual impact of the service review programme and the reorganisation programme will be kept under continual review to ensure both reviews support each other and deliver optimum outcomes for both Councils.
- 7.2 In the meantime, the service review programme will continue to work towards the outcomes outlined in this report ahead of the next Shared Services Joint Committee on 22 January 2016.

### **8.0 Wards affected**

- 8.1 None.

### **9.0 Policy implications**

- 9.1 None.

### **10.0 Financial Implications**

- 10.1 Each Council spends a significant amount of money on provision of line of business applications. The reviews currently in progress will ensure that the Councils receive value for money for their taxpayers. The service reviews underway will ensure that this situation is continually monitored in a fast changing ICT environment.

### **11.0 Legal Implications**

- 11.1 The report to the Committee in February 2015 on the subject of CoSocius included a number of proposals which were to be incorporated into the contracts between the Councils and CoSocius (affecting the Shareholder Agreement and the Operating Agreements), with the intention of providing all parties with clarity and certainty. The proposals included a number of specific outcomes in

contractual terms which could arise from the outcomes of the service review programme.

11.2 However, the decision taken at the October meeting of this Committee to bring CoSocius activities back in-house has negated the need for such contractual changes. Instead, the programme of work to reorganise CoSocius services back into Council delivery functions has a specific Legal workstream which is addressing the legal requirements associated with this decision.

11.3 Where the decisions flowing from reviews requires procurement activity, this will be carried out in accordance with the Public Contracts Regulations 2015, including any pre market consultation.

## **12.0 Risk management**

12.1 Programme risks are being identified and reported as necessary to the Transition Board through normal programme management mechanisms. The Board will escalate any significant risks to the Committee as appropriate during the course of the programme.

## **13.0 Access to Information**

13.1 The background papers relating to this report can be inspected by contacting the report writers:

Officers: Peter Bates / Mark Wynn

Cheshire East – Chief Operating Officer / Cheshire West and Chester – Head of Finance

Tel No: 01270 686013 / 01244 977830

Email: [peterbates@cheshireeast.gov.uk](mailto:peterbates@cheshireeast.gov.uk) / [markwynn@cheshirewestandchester.gov.uk](mailto:markwynn@cheshirewestandchester.gov.uk)

Background Documents:

*Documents are available for inspection at:*

*Cheshire East Democratic Services*

*Westfields*

*Middlewich Road*

*Sandbach*

*CW11 1HZ*

*or:*

*Cheshire West & Chester Democratic Services*

*HQ Building,*

*Nicholas Street,*

*Chester,*

*CH1 2NP*

## Appendix A – Scope of Service Reviews

Service for Review	Description
Enterprise Business Systems	<p>The Enterprise Resource Planning (ERP) system offers an integrated suite of applications covering core business functions including transactional shared services, corporate finance, strategic and operational human resources. The application is comprised of modules some of which are Payroll, HR, Procurement, vendor management and invoicing, customer management and invoicing and General Ledger. The applications support 8000 users, processing 69 payrolls and salary payments in excess of £20,000,000 per payroll period across Cheshire East/Cheshire West and Chester. Integration extends into other key line of business systems such as Social Care (Adults and Children) and Cash Receipting and Income Management. This system is used jointly by Cheshire East/Cheshire West and Chester, approximately 300 maintained schools, approximately 50 academies, town councils, Cheshire Pensions and other SLEs/ASDVs.</p> <p>The review will assess the viability of this system to support the current and future business requirements and operating models for the existing user base. This will require an analysis of the related business processes through the above organisations and CoSocius.</p>
Social Care (Adults and Children)	<p>The review will assess the viability of the underlying systems to support the delivery of adults and children social care. This will include reporting mechanisms, delivery of finance care packages, and delivery of the early support models through multidisciplinary teams. Key systems licences are approaching renewal in this area.</p> <p>Key influencing factors in the review will include the regional Pioneer bid, Complex Dependency bid, and care act changes, which are driving integration across health professionals and transparency for the customer.</p> <p>This is a key area for review as it is seen as a prime commercial opportunity for CoSocius as all councils look at the way they deliver social care.</p>
End User Computing (Desktop, mobile, telephony and network, etc)	<p>The review will assess the technology platforms required to support end user computing across client organisations, identifying opportunities for harmonisation across CoSocius customer base, simplification of CoSocius product offerings, and how this can support future flexible and mobile working requirements driven by organisational change and respective accommodation strategies.</p>

Service for Review	Description
Geographic Information System	<p>The current Geographic Information System (GIS) provides an integrated mapping service to multiple high profile services within East and West, including Planning, Highways, Elections, and other public facing Services. GIS also manages over 900 spatial datasets made available to Cheshire West, Cheshire East, the Cheshire Public, and any wider audience via both internet sites, with approximately 100,000 visits to GIS internet sites per month. The current solution is old and needs to be replaced. Without having a true marketable service, there are regular approaches from external organisations to provide GIS Services, either as Service Offerings or via an Invitation to Tender. There is also opportunity to extend GIS to other East and West teams such as Schools, Transport. Work is already underway, to gather requirements for a robust, future, marketable GIS Service. There is a recognised gap in the external market, particularly locally. It is also an excellent means to engage with external clients around potential data sharing and joined up working. Review would recognise the enormous potential for GIS as a marketable, commercially profitable Service within an increasingly demanding customer base, as well as realise obvious business efficiencies through greater internal use of GIS and greater understanding of Service needs.</p>
Business Intelligence and Reporting	<p>This platform is shared across CoSocius and its clients, and is used for the delivery of Management Reporting and Business Intelligence. The current capability is delivered through a disparate set of solutions (including Oracle, SAP Business Objects and Microsoft Sharepoint) that struggle to present a holistic picture. The review is required to inform strategic direction and bring BI capabilities together. Improved BI and Reporting will strongly support process improvement for all three parties.</p>

Service for Review	Description
Schools Information System (SIMS)	<p>The vast majority of LA maintained schools across East and West use Capita SIMS. The LA's pay an annual entitlement license fee to Capita, which is based on a per pupil cost for primary/special schools and secondary schools. This entitlement fee covers SIMS core and curriculum modules. Some schools will also pay a license fee direct to Capita for extended modules. Currently each school locally hosts their SIMS application; however CoSocius now have a private cloud solution available for all primary schools to purchase. When a school converts to an Academy, they have to purchase their original license from Capita (Schools Direct Licensing) as well as pay their own annual entitlement fee for support and maintenance at a non-reduced rate. The range of support services that CoSocius can offer schools is vast. The relationship between Local Authorities and education establishments are in a state of constant flux dictated by DfE requirements. CoSocius need to be positioned so that they can respond effectively to schools ever changing ICT related requirements.</p>
Resource Planning (Homecare)	<p>Homecare roster is a legacy solution in need of renewal which integrates with mobile working handsets. There are currently issues associated with the age of the mobile technology and its level of email integration for mobile working. This review presents an opportunity for the business clients to assess their needs and what mobile working requirements mean to future implementations.</p>
Customer Service and Website Content	<p>The two clients have established differing strategies for Customer Services and this exercise will present an opportunity to understand the implications of this, and the opportunities for CoSocius in light of the two strategies. Cheshire West and Chester has recently entered into a contractual arrangement with a JV partner for the delivery of Customer Services and Facilities Management and both Councils are leading separate agendas to look at all customer facing contact and its integration with the digital platform.</p> <p>This approach has been strongly influenced by the need for the digital agendas to drive a very clear customer identify for each borough and will assess the implications of the diverging business strategies on the technology platforms and subsequent CoSocius product offerings; not limited to but including customer authentication/registration, customer portal, master data management, website and technology/data integration, etc.</p>

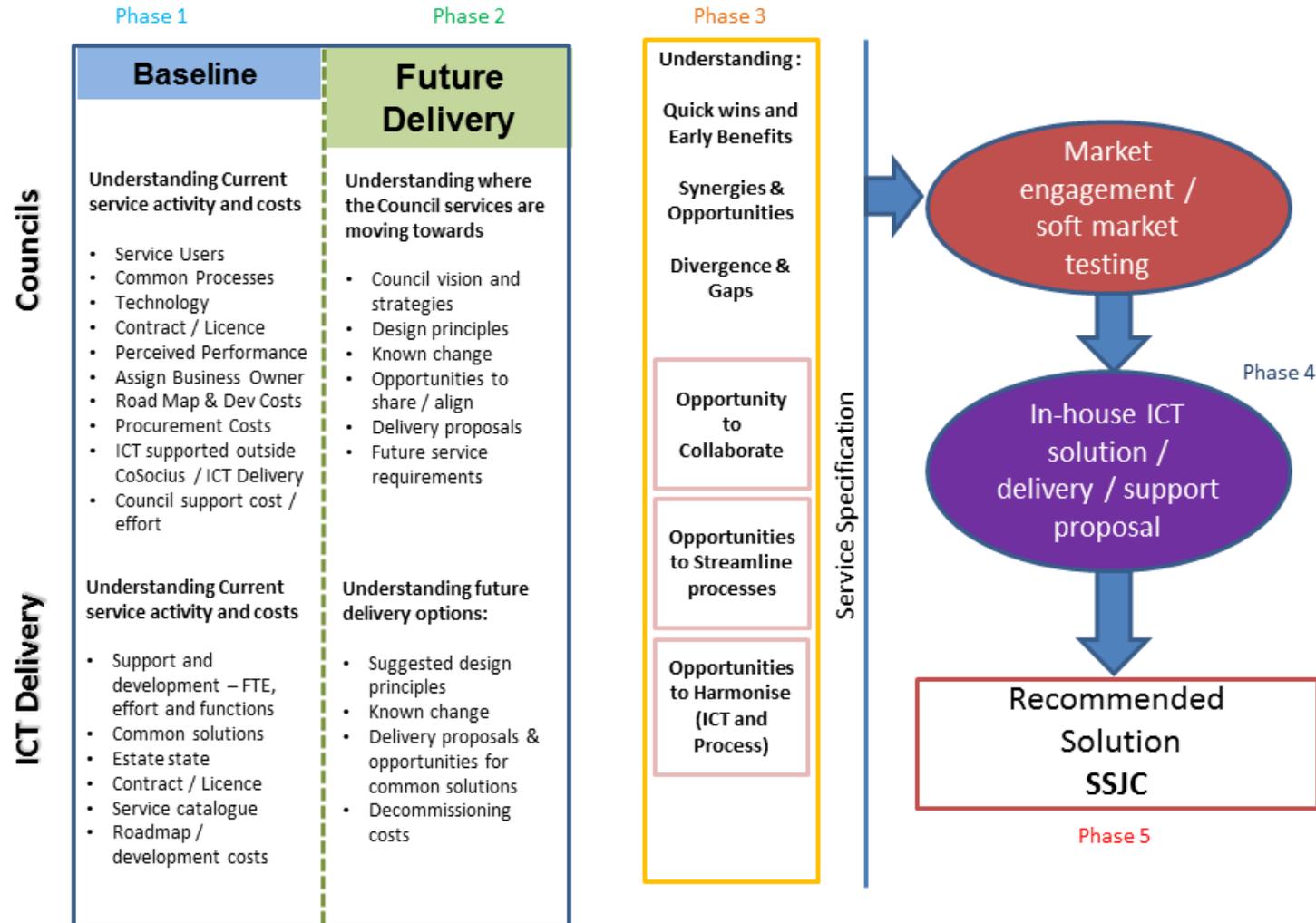
Service for Review	Description
Planning and Building Control	<p>East and West Planning and Building Control Systems deal with over 500 Planning Applications each month, and over 200 Enforcement Cases. There are approximately 600,000 visitors to the Planning websites each month.</p> <p>East and West are currently utilising different solutions for this area, both of which are currently up for review from a licensing perspective. This area comes under significant scrutiny from the public. The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West, and assess options in light of the digital agenda being adopted by both clients.</p>
Revenues and Benefits	<p>The Revenues and Benefits System Landscape and Support Model is particularly complex, mainly due to the rapid need to implement legislative change within the Business Area. There are over 25 supported systems that deliver the service to both East and West. The systems hold, amongst other information, over 315,000 Council Tax Accounts that are accessed by over 500 users. Through Council Tax and Business Rates, a revenue income is generated in excess of £300,000,000 per authority. The review will provide an opportunity to assess the extensive systems estate and the viability of these systems to support the current and future business requirement / operating models for the existing user base, which will require an analysis of the related business processes through the above organisations and CoSocius.</p> <p>There is clear scope for efficiency across the two authorities and for the development of a marketable solution for CoSocius to take to the wider market.</p>
Cash Receipting and Income Management	<p>The Cash Receipting and Income Management system is the single corporate means of making internet, intranet (via Contact Centre), telephone, face to face and paypoint payments for the vast majority of Council Services. The System deals with almost 1,500,000 transactions every year. It is predominantly the same system used by both East and West, with similar supporting business processes in East and West.</p> <p>The technical solution for this area is the same for both Councils but separate environments are maintained. This review will assess the benefits of bringing this system together, ensuring consistency across business processes and standardising systems architecture, whilst considering both councils digital agenda.</p>

Service for Review	Description
Highways	<p>The Confirm application is used by both Councils but maintained separately. It is due for contract renewal and this review will provide an opportunity to ensure a modern, fit for purpose system and business process is assessed for both Councils and its partners.</p> <p>The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.</p>
Children and Young Persons	<p>These business areas are currently serviced by a collection of legacy applications, standard to both Councils but maintained separately. The Tribal Synergy CYPD Suite is a Children's Education Case Management System used in West and East. It is a multi-modular system for specific service areas such as Admissions and Special Educational Needs (SEN). This review will provide the opportunity to modernise the technical solution to support an evolving business model.</p> <p>The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions supporting East and West and assess options in light of the digital agenda. Joint working is already underway to identify appropriate procurement routes and potential options.</p>
Document Management	<p>There are currently a number of different, document management solutions in place across both Councils, in some cases directly linked to specific applications, e.g. Civica for Revs and Bens (Cheshire West and Chester). The enterprise SharePoint platform currently holds some 1.36 million documents, enabling collaboration, workflow, security, records management and version control seamlessly with Microsoft Office and 3rd party applications, including mobile. This review will provide an opportunity to review the needs of the Councils and CoSocius to recommend a standard document management solution going forwards, not only realising efficiencies through reducing spend on existing systems and systems support, but also by having a shared, consistent approach to document management.</p>
Elections	<p>Both Councils use different systems but the business process will be in line with the necessary governance required to support the political process across all local authorities. This review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.</p>

<b>Service for Review</b>	<b>Description</b>
Environmental Health	<p>This will include Trading Standards, Pest Control, Licensing, etc.</p> <p>East and West are currently utilising different solutions for this area, both of which are currently up for review from a licensing perspective. This area comes under significant scrutiny from the public.</p> <p>The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.</p>
Transport	<p>East and West are currently utilising different solutions for this area, both of which are currently up for review from a licensing perspective.</p> <p>The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.</p>

# Appendix B – Revised Service Review Methodology

## Revised Service Review Methodology



## Revised Service Review Methodology

Phase 1

Phase 2

	Baseline	Future Delivery
<b>Councils</b>	<p><b>Understanding Current service activity and costs</b></p> <ul style="list-style-type: none"> <li>• Service Users</li> <li>• Common Processes</li> <li>• Technology</li> <li>• Contract / Licence</li> <li>• Perceived Performance</li> <li>• Assign Business Owner</li> <li>• Road Map &amp; Dev Costs</li> <li>• Procurement Costs</li> <li>• ICT supported outside CoSocius / ICT Delivery</li> <li>• Council support cost / effort</li> </ul>	<p><b>Understanding where the Council services are moving towards</b></p> <ul style="list-style-type: none"> <li>• Council vision and strategies</li> <li>• Design principles</li> <li>• Known change</li> <li>• Opportunities to share / align</li> <li>• Delivery proposals</li> <li>• Future service requirements</li> </ul>
<b>ICT Delivery</b>	<p><b>Understanding Current service activity and costs</b></p> <ul style="list-style-type: none"> <li>• Support and development – FTE, effort and functions</li> <li>• Common solutions</li> <li>• Estate state</li> <li>• Contract / Licence</li> <li>• Service catalogue</li> <li>• Roadmap / development costs</li> </ul>	<p><b>Understanding future delivery options:</b></p> <ul style="list-style-type: none"> <li>• Suggested design principles</li> <li>• Known change</li> <li>• Delivery proposals &amp; opportunities for common solutions</li> <li>• Decommissioning costs</li> </ul>

### Phase 1 & Phase 2

The first 2 phases will establish a baseline of the way in which the current service operates and overlay this with a view of the future direction of the service to understand the scale of change and potential benefits to the Councils.

**Phase 1** will capture a detailed view of how each organisation currently delivers its services, the technology to underpin it and all associated costs.

**Phase 2** will provide a view of the future directions for each service area based on organisational and service strategies, delivery vehicles, design principles and planned future changes. The ICT Delivery function will support this with a professional view on potential strategies and solutions, building on existing knowledge of current solutions and activities.

Both phases will need to be completed in conjunction with existing change teams and business representatives.

During these phases external support to understand the potential market view may be taken.

**Output:** Phases 1 & 2 will be used to understand the difference between current and future anticipated delivery which will be essential to recognise opportunities, early benefits and inform a future technology solution.

## Revised Service Review Methodology

### Phase 3

Phase 3 will draw together all of the analysis from the previous phases to create a cross-Council view of services and technology to identify:

**Quick wins and Early Benefits:** Simple changes that can be made in the short term to make efficiencies or improvements in quality. May involve tactical improvements which do not conflict with strategic direction.

**Synergies & Opportunities:** Alignments of technology, processes and future directions (including opportunities to share solutions more widely in future)

**Divergence & Gaps:** Differences in organisations future direction, technology and design principles.

This will inform the type of service specification that will be taken forward to market testing i.e. a Joint Council specification or separate ones.

**Output:** The output from this activity will be a Service Specification, which will be used to direct external soft market testing and to inform any resulting proposal from the in-house ICT Delivery function.

### Phase 3

Understanding:

Quick wins and Early Benefits

Synergies & Opportunities

Divergence & Gaps

Opportunity to Collaborate

Opportunities to Streamline processes

Opportunities to Harmonise (ICT and Process)

Service Specification



## Revised Service Review Methodology

### Phase 4

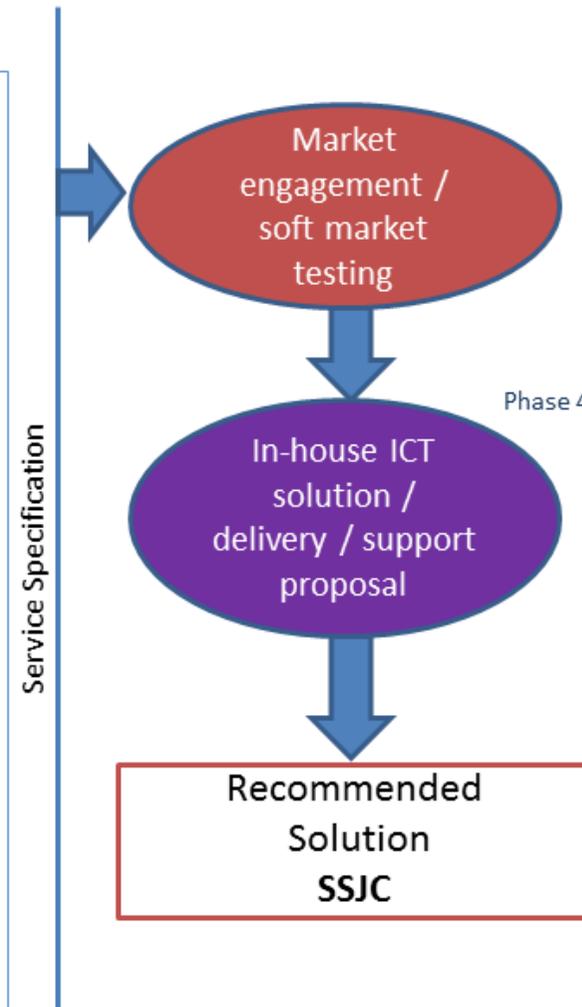
**Phase 4:** The service specification created in phase 3 will be taken forward to testing through a soft market procurement mechanism to establish what solution, costs and benefits could be provided by the market.

The ICT Delivery function will support the soft market testing alongside the Councils, and will use the intelligence gained from this process to support a proposal for future delivery. This would not preclude the Councils considering a procurement process to secure a solution directly from an external provider should this be felt to be the optimum solution. However this would require some form of ICT Delivery “wrap”, which could be as minimal as providing a network connection to an external solution. At the other end of the scale the ICT Delivery proposal could involve a full implementation and ongoing support service.

Where appropriate multiple service specifications could be released as a package to ensure a viable market comparison can be established and that the maximum value for money can be established through economies of scale.

Whichever approach to solution delivery is taken, appropriate approvals would be required to support any investment required by both Councils.

**Output:** Phase 4 output will be a proposal which identifies the preferred solution or solutions to deliver the requirements outlined in the service specification. This will incorporate the information obtained from market providers and proposed delivery / support models from the ICT Delivery function. These will also include an outline implementation plan, including indicative costs and resourcing requirements.



## Revised Service Review Methodology

### Phase 5

#### Phase 5:

The recommended solution presented to Committee will identify the preferred method of delivering the service specification identified through earlier phases of work, via an appropriate combination of working with external providers and the in-house ICT Delivery function. The solution will be selected using appropriate value for money criteria such as:

#### Financial

Costs, savings and benefits  
Payback / return on investment

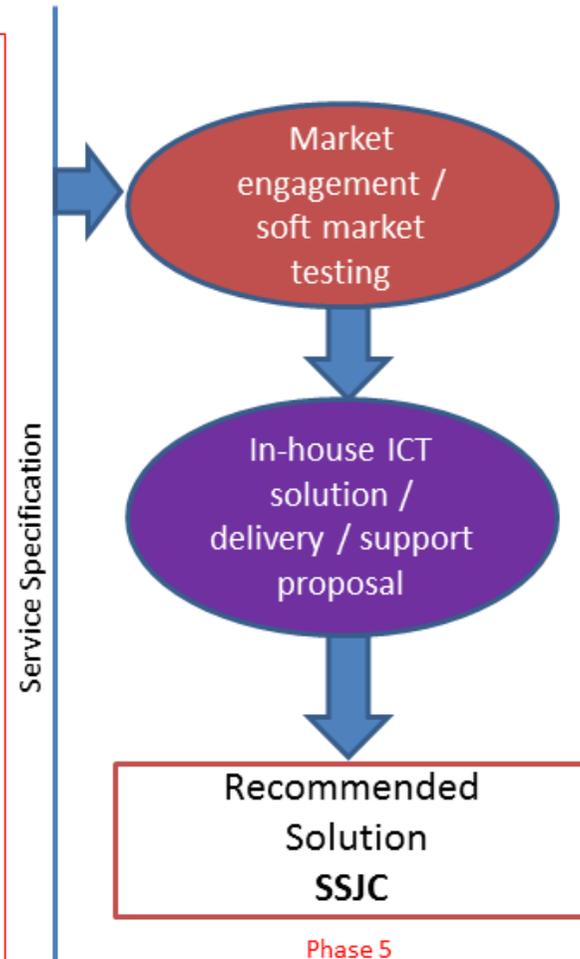
#### Quality

Functionality to meet the specification  
Strategic fit & flexibility  
Deliverability  
Customer benefits

The Councils will use these criteria to analyse the available options and reach a decision on the preferred solution and preferred approach to delivery, including the role of the ICT Delivery function.

**Output:** A recommendation will be brought to Members based on the Councils' analysis of available solutions against the criteria listed above.

The approved recommendation from Members at this stage will be taken forward to a procurement and implementation programme.



# CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

## SHARED SERVICE JOINT COMMITTEE

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**Date of Meeting:** 27 November 2015

**Report of:** Cheshire East – Chief Operating Officer  
Cheshire West and Chester – Head of Finance

**Subject/Title:** Update on the Implementation of Shared Service Arrangements to provide ICT, HR and Finance Services to both Authorities

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### 1.0 Report Summary

1.1 The purpose of this report is to update Members on the progress made in regards to the mobilisation of the programme of work required to deliver the:

- Establishment of a Shared Service for the delivery of ICT to be hosted by Cheshire East
- Establishment of a Shared Service for the delivery of HR & Finance hosted by Cheshire West and Chester

### 2.0 Decisions Requested

2.1 Members are requested to note the progress in the mobilisation of the programme of work needed to establish the two shared services.

### 3.0 Report Background

3.1 This report gives an update on the progress of the programme since the last Joint Committee.

### 4.0 PROGRAMME MOBILISATION

4.1 Members of the Joint Committee made the decision that Cheshire West and Chester Council and Cheshire East Council will revert to a shared service arrangement to provide ICT, HR and Finance services to both authorities. This message was subsequently communicated to all staff.

4.2 A fortnightly Joint Programme Board has since been established Chaired by the respective S151 Officers, the Programme Board is made up of Workstream Leads who represent the key areas of activity within the programme:

- HR
- Finance
- Legal and Governance
- Business Continuity
- Establishing Hosting Arrangements

- Development of the ICT Shared Service
  - Development of the Transactional Shared Services
- 4.3 The Board are responsible for managing and leading the delivery of the programme.
- 4.4 Resources have been mobilised to support the Workstream leads in the guise of overall Programme Management expertise, Project Management support aligned to each of the Workstreams and a Programme Management Office to help manage the interdependencies between the Workstreams.
- 4.5 Key Milestones for Day One of the programme include:
- TUPE Transfer date of 1st April (Day One)
  - Agreed day one structure, cost sharing and contractual commitment in place for Day One

Key Milestones for Post Day One include:

- A programme of transformational work will be undertaken within the two Shared Services to ensure service delivery is aligned to the future expectations of the two authorities. This will be linked to the outcomes of the fundamental service reviews being undertaken and reported into this Committee.
- 4.6 Detailed planning is underway within each of the Workstreams to identify the critical path of delivery to Day One and post Day One tasks. This will also be used to identify the significant interdependencies across the Workstreams and ensure they are actively managed to enable efficient delivery of the programme.

### **5.0 KEY PROGRAMME OBJECTIVES AND DELIVERABLES**

- 5.1 The following key objectives were approved at the first Programme Board Meeting to shape the focus, prioritisation and delivery of the programme of work:
- Cease trading and operations as CoSocius Ltd
  - Transfer ICT delivery to Cheshire East hosting (Shared Service)
  - Transfer Transactional Services delivery to Cheshire West hosting (Shared Service)
  - Maintain service delivery throughout transition
  - New Shared Service arrangements will begin with a 6 month period of transition from April 2016, followed by a further 18 months of transformation
  - The Board have approved RPMO status.
- 5.2 The initial focus of the programme is on the delivery of the above mentioned objectives with consideration being made to post Day One service redesign and improvement planning. Appendix A shows the draft critical tasks to Day One.
- 5.3 To enable the delivery of the new Shared Services for Day One the following tasks are currently active and underway:

- A Visioning Workshop has been undertaken to inform the Day One Structures, functionalities and future ambitions this is informing the Workstream plans
- A Detailed Baseline/Planning exercise is underway to include financial assessment, legal and risk identification to ensure that the plan to day One is comprehensive and that all interdependencies are identified, managed and owned.
- Legal tasks associated with making CoSocius dormant and setting up new/amended Shared Services have been identified.
- Planning for the TUPE of staff into host organisations is underway.
- Scope, Specifications, Performance Management Frameworks and Shared Services Agreements for both Cheshire East and CWaC for ICT and Transactional Services agreed and approved for Day One to April 2016

### **6.0 Next Steps**

- 6.1 The Programme Board meets fortnightly with the Project Managers meeting in the alternate weeks. This frequency of meetings and level of resources is required to ensure delivery of the programme for Day One. Progress on delivery of the plan will therefore be at pace.
- 6.2 Communications are underway with all affected staff to inform them of the TUPE Transfer Date, future employer and associated terms and conditions.
- 6.3 The established Programme governance will oversee the delivery of the programme of work and Joint Committee will be updated at key milestones or upon request.

### **7.0 Wards affected**

- 7.1 None.

### **8.0 Policy implications**

- 8.1 None.

### **9.0 Financial Implications**

- 9.1 A specific work stream has been created to undertake the finance tasks necessary to transfer services from CoSocius into the shared services arrangement. This will include establishing the budget requirements and funding basis for each new service and ensuring that the transition process is conducted in a cost effective manner.

### **10.0 Legal Implications**

- 10.1 As the programme of work progresses the councils will need to take tailored legal advice on a number of matters including (but not limited to) vires, procurement, contractual, company, employment, pension, property, IT, asset and interim and ongoing governance arrangements. Such advice will need to be sought and considered on an ongoing basis as the programme of work progresses.

## **11.0 Risk management**

11.1 Programme risks are being identified and reported as necessary to the Programme Board via the Workstream leads who are maintaining Workstream level Risk Logs. The Programme Board will escalate any significant risks to the Committee as appropriate during the course of the programme.

## **12.0 Access to Information**

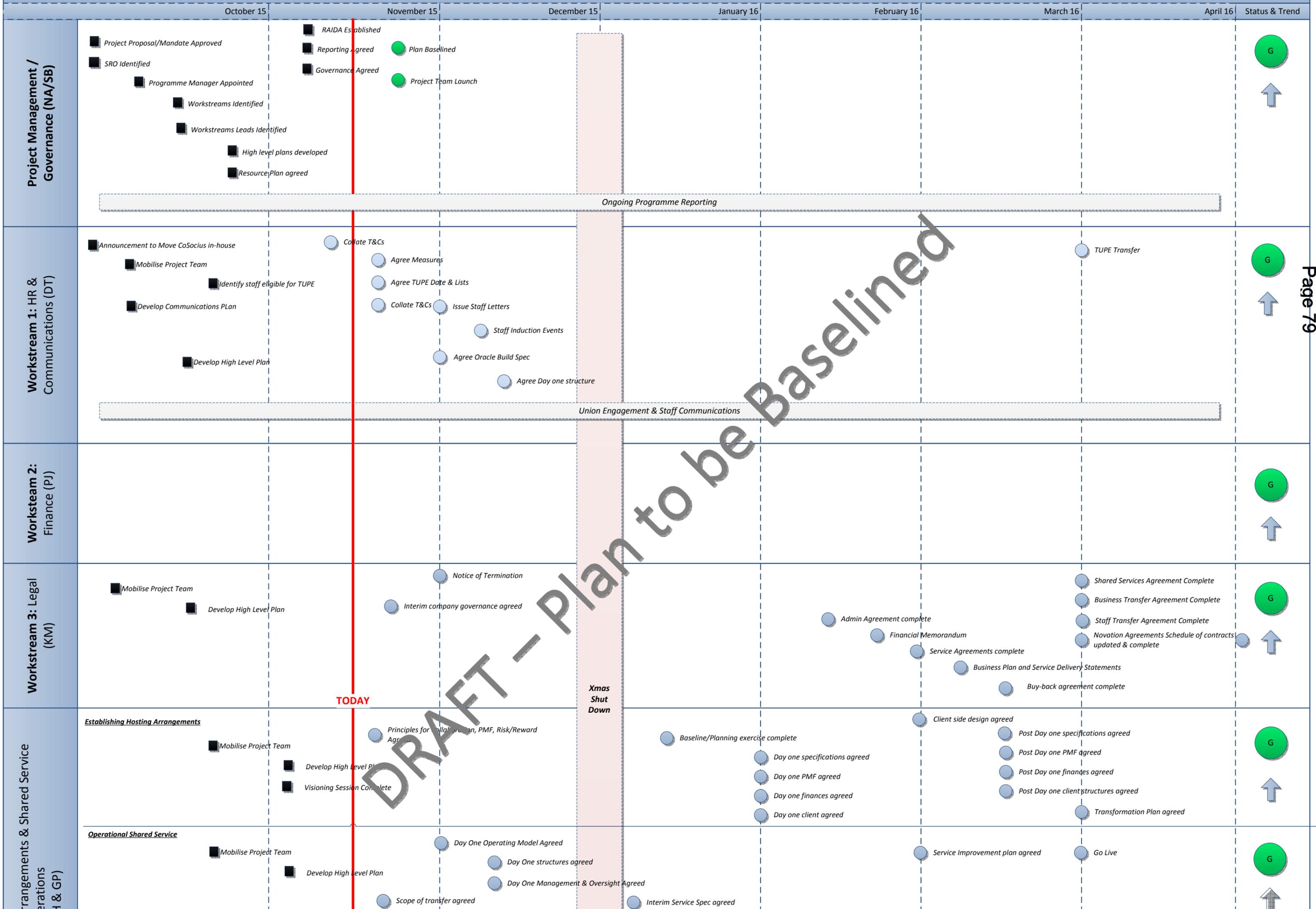
12.1 The background papers relating to this report can be inspected by contacting the report writers:

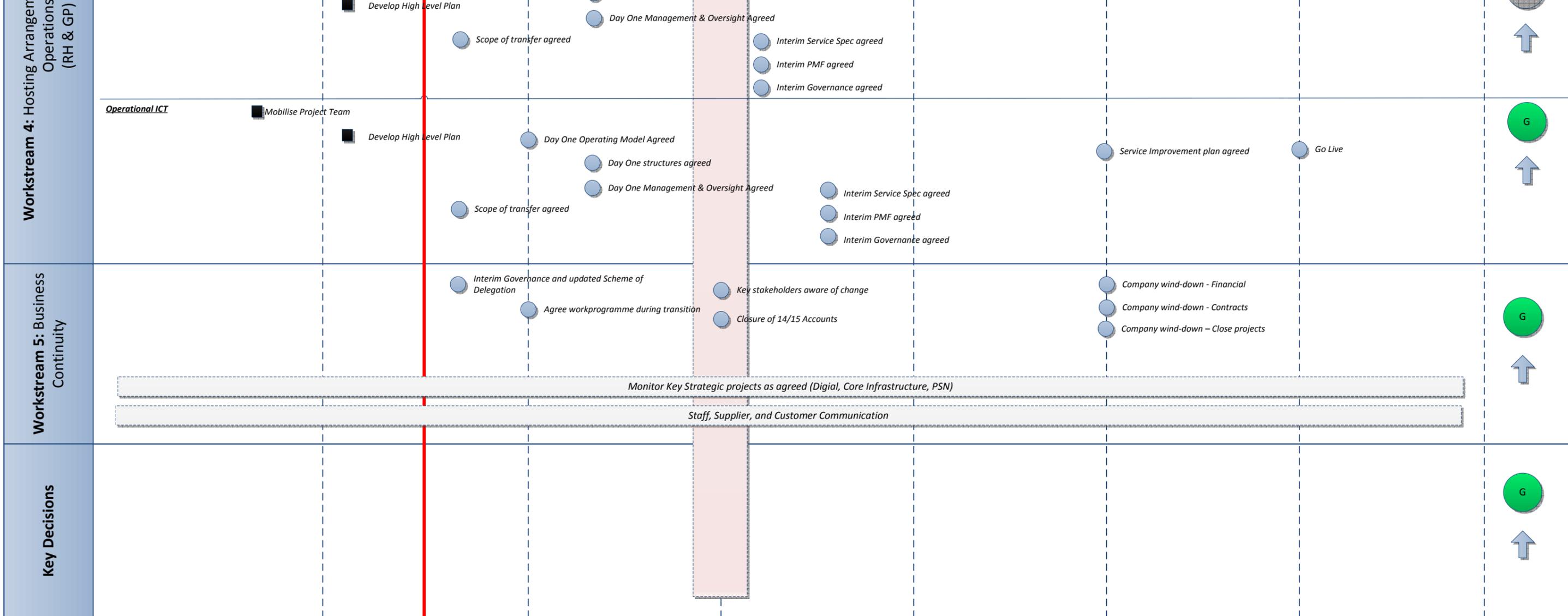
Officer: Peter Bates, Chief Operating Officer– Cheshire East Council

Mark Wynn, Head of Finance – Cheshire West & Chester Council

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Email: [Peter.bates@cheshireeast.gov.uk](mailto:Peter.bates@cheshireeast.gov.uk) / [markwynn@cheshirewestandchester.gov.uk](mailto:markwynn@cheshirewestandchester.gov.uk)





- Milestone Complete
- Milestone on Target
- Milestone Re-baselined
- Milestone Date TBA
- Milestone at Risk – mitigation in place
- Rebaselined Milestone at Risk – mitigation in place
- Milestone at Risk – No mitigation
- Rebaselined Milestone at Risk – No mitigation