



Shared Services Joint Committee

Agenda

Date: Friday 18th May 2018
Time: 2.00 pm
Venue: Committee Room 1 - Wyvern House, The Drumber, Winsford, CW7 1AH

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 3 - 8)

To approve the minutes of the meeting held on 16 April 2018

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

5. **Finance & HR System Replacement Programme**

To consider a report on the progress being made in implementing a replacement HR and Finance system for the Councils and their partners

Report to follow

6. **Shared Services Joint Committee Governance Update** (Pages 9 - 14)

To consider a report which outlines proposals to change the governance arrangements for the Shared Services Joint Committee

Minutes of a meeting of the **Shared Services Joint Committee**
held on Monday, 16th April, 2018 at Council Chamber - Wyvern House,
The Drumber, Winsford, CW7 1AH

PRESENT

Cheshire East Council

Councillors JP Findlow (Chairman), P Bates and D Stockton

Cheshire West and Chester Council

Councillor D Armstrong (Vice-Chairman), P Donovan and L Gittins

Officers in attendance

Cheshire East Council:

Dominic Oakeshott, Programme Director, Best4Business Programme

Gareth Pawlett, Corporate Manager ICT

Suzanne Antrobus, Team Manager Legal Services

Heather Grove, Senior Manager, Business Assurance, Development and
Collaboration

Rachel Graves, Democratic Services Officer

Cheshire West and Chester Council:

Mark Wynn, Director of Corporate Services

Laurence Ainsworth, Director of Public Service Reform

Aaron Thomas, Public Service Reform – Joint Programme Manager

Peter Lloyd, Public Service Reform – Senior Manager

Jude Green, Senior Manager Transactional Service Centre

Heloise MacAndrew, Lawyer

28 APOLOGIES FOR ABSENCE

There were no apologies for absence.

29 DECLARATIONS OF INTEREST

In the interest of openness, Councillor L Gittins declared that she knew the
Chairman of Agilisys Ltd.

30 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present.

31 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 24 November 2017 be confirmed
as correct record.

32 ICT SERVICES UPDATE

The Committee considered a report on the progress with ICT Services which focused on the agreed activities following the Ernst Young Review of ICT services.

The report detailed the progress against the eight key recommendations from the Review of ICT.

An Infrastructure Investment Programme – ‘Evolution’, had been developed to modernise all of the aged and end of life infrastructure on which all the Councils supporting systems sat. The financial case estimated that £19.8m investment was needed over 3 years between both Councils. It was estimated that 80% of the ICT estate had been deemed to be out of date which carried significant risks to both Councils of failure and security. A full business case would be developed which would provide detailed costs and benefits of modernisation.

RESOLVED: That the Committee

- 1 note the progress to date and upcoming planned activity;
- 2 note that work is still continuing collaboratively to update the shared services agreements dated 1 April 2016, including agreed service catalogue, specifications, performance management and revised payment arrangements are in place;
- 3 note the benefits of the Infrastructure Investment programme (Rebranded to Evolution) and to mobilise the programme to the next checkpoint (Full Business Case) addressing issues around procurement and programme support; and
- 4 note in line with both Councils approved budget plans, to identify Essential Replacement funding of £9.8m and further funding of £10m to support the move to hybrid cloud with delivery and key checkpoints overseen through joint officer governance, s151 oversight and regular updates to the Joint Committee.

33 TRANSACTIONAL SERVICE CENTRE - SHARED SERVICE AGREEMENT

The Committee considered a report on the progress with development of the Transactional Service Centre.

A new Senior Manager for the Transactional Service centre had been appointed in December 2017 with the aim of continuing to improve service delivery and address residual cultural issues. A new people strategy was being devised to ensure that professional standards were adopted and would incorporate a commitment to apply council policy consistency.

A new customer strategy was also being devised which would set out the standards expected in delivering services to the Transactional Service Centre's diverse customer base.

A Shared Services agreement had been in successful operation between the two Councils and this document would be updated to take account of the overall strategic aims, covering the period 1 April 2018 to 31 March 2019. Approval was sought for the two Council's Section 151 Officer to be given delegated authority to approve the agreement.

RESOLVED: That the Committee

- 1 agree that the 'transformation' phase end on 31 March 2018.
- 2 instruct the Senior Manager – Transactional Service Centre to devise a new business plan that will take effect from 1 April 2019 and carry the service forward in to its next phase.
- 3 approve that the two Section 151 Officers be provided with delegated authority to approve a shared service agreement between the Councils for the period 1 April 2018 through to 31 March 2019.

34 **FINANCE & HR SYSTEM REPLACEMENT PROGRAMME**

The Committee considered a report which detailed the progress being made in implementing a replacement HR and Finance system for the Councils and their partners.

The majority of the system build activity by Agilisys was now complete. The Programme Board had signed off the major programme milestone – "build complete", on 29 March, which was three weeks later than planned. The delayed signoff was provided on a conditional basis, recognising that certain core processes were not yet in a position to be demonstrated to the Council to confirm that the requirements had been fully met. A proportion of the value of the build complete milestone had been retained and would be paid to Agilisys upon demonstration of the outstanding elements.

The programme had targeted a go-live date of 3 September 2018 from the outset. However, recognising the significant pressure that bot the Council and Agilisys were working under in order to meet scheduled deadlines and the slippage against certain deliverables, it was considered necessary to review the plan and deliverables and determine whether the go-live date remained achievable. A review of the risks indicated a delay in the programme and a two month extension would provide time to complete the design and build activity alongside a more reasonable User Acceptance Testing Window. Any potential extension would also add additional cost to the programme. A report would be brought to the next meeting on the review of the Project Plan and the financial position.

RESOLVED:

That the Committee

- 1 note the status of the programme, as detailed in section 5 of the report, including the conditional signoff of the “build complete” milestone and the approach to resolving outstanding issues and releasing the remainder of the milestone payment;
- 2 endorse and agree that the Council and Agilisys teams (the Programme) formally review the Project Plan together, as detailed in section 9 of the report, which highlights an emerging and indicative two month extension to the programme, to access and replan activity, risks, deliverables and benefits of the programme, reporting back to the Committee on the proposals in May 2018;
- 3 note the broad range of business engagement activities which have been undertaken since the last update to the Committee, as described in section of the report, and the outcome of the first of a series of “change readiness assessments”;
- 4 note and endorse the benefit realisation processes, described in section of the report, which is underway to assess and confirm the business savings which were set out in the July 2017 Cabinet reports;
- 5 note the key elements of the training strategy, set out in section 8 of the report, which has been developed jointly in support of the programme;
- 6 note the financial pressures on the programme, as noted in section 10 of the report, and endorse the proposal to bring a full update to the next meeting of the Committee; and
- 7 note the positive feedback arising from the Internal Audit report following completion of the design phase of this programme, as set out in section 11 of the report.

35 SHARED SERVICES JOINT COMMITTEE GOVERNANCE UPDATE

The Committee considered a report on the proposed review of the governance arrangements for the Committee.

The governance arrangements had remained in their original format since the Local Government Review in 2009 although the remit of sharing of services had changed fundamentally over the same time. The work of the Committee had altered from overseeing the sharing of services to contributing to developing and shaping the change agenda where the two Councils could share services.

The two Councils now shared eight services, whereas at its formation there were approximately sixty five shared services. The activities of the eight services were effectively managed through commissioning, service, and client managers, with three areas – ICT, Transactional Services and Archives & Local Studies transforming their models of operation.

It was suggested that the Shared Services Joint Committee could reduce the number of meetings to three, with one meeting to consider the performance of the shared service areas and two further meetings focusing on three developing areas of ICT, Transactional Services and Archives & Local Studies.

It was proposed that a small working group be formed from members of the Shared Services Joint Committee and officers from the Joint Officer Board to work on the arrangements and review and update the Committee's Constitution, Terms of Reference and Financial Memorandum, with the aim being to bring a report to the next meeting of the Committee setting out the revised governance arrangements.

RESOLVED:

That a working group be established from members of the Joint Committee and officers from the Joint Officer Board to consider and develop a formal set of proposals, including a revised Constitution, Terms of Reference and Financial Memorandum and report to the May meeting of the Shared Services Joint Committee.

The meeting commenced at 12.00 pm and concluded at 1.05 pm

Councillor JP Findlow (Chairman)

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CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICES JOINT COMMITTEE

Date of Meeting:	18 th May 2018
Report of:	Dominic Oakeshott – Chair of the Joint Officer Board
Subject/Title:	Shared Services Joint Committee Governance Update

1. Report Summary

- 1.1 The Shared Services Joint Committee (SSJC) was formed in 2009 as part of the overall governance arrangements between the two Councils at the time of the Local Government Review (LGR), supporting the high level of shared services, prior to the separation of those services. The Committee was formed with its own Constitution, Terms of Reference and Financial Memorandum along with a supporting Joint Officer Board. The arrangements have been periodically reviewed and this report seeks the views of members on the completion of a more fundamental review ahead of the new Council year in May 2018.
- 1.2 The governance arrangements for the Joint Committee have remained in their originating format since LGR, although the remit of sharing of services has changed fundamentally over the same time. One of the most significant changes has been that the work of the Committee has altered from overseeing the sharing of services to contributing to developing and shaping the change agenda where the two Councils can share services. The two Councils share five services that operate in a stable fashion, with the activity being effectively managed through commissioning, service, and client managers, with three areas, ICT, Transactional Services and Archives and Local Studies transforming their models of operation.
- 1.3 Reflecting on the recent working arrangements for the Committee there is an opportunity to bring a new focus for the shared services and this report outlines a number of proposals for change following a workshop with both JOB and Shared Services Joint Committee members on 2nd May 2018.

2 Decision Requested

Members are asked to:

- 2.1 Agree that the Shared Services Joint Committee moving forward will undertake a deeper focus on those shared services in a state of change and transition (ICT Services, Transactional Service Centre, Archives & B4B at this time).
- 2.2 Agree that the five remaining shared service currently operating in a stable fashion will only produce a short annual update outlining the year's performance, achievements and any planned significant changes in the future for the committee.
- 2.3 Agree to two formal Shared Service Joint Committee meeting per year taking place in May and November and one informal workshop.
- 2.4 Agree that if required a Shared Services Joint Committee can be called by exception by the Chair.
- 2.5 If required, establish informal joint working groups made up from representatives of this Committee along with officers of both Councils to discuss potential future sharing opportunities.
- 2.6 To note these changes if agreed would come into effect following the next Shared Services Joint Committee meeting scheduled in July 2018.

Following the Shared Services Joint Committee the Constitution, Terms of Reference and Financial Memorandum will be updated to reflect any decisions taken.

3 Reasons for the recommendation

- 3.1 The changing nature of the sharing of services provides the Shared Services Joint Committee an opportunity to review and update its constitutional arrangements helping to provide a stronger future focus.

4 BACKGROUND

- 4.1 The Shared Services Joint Committee was formed in 2009 after LGR, when it had responsibility for a wide range of shared activity between the two Councils (approximately 65 shared services). It was required to oversee the separation of County Council services between the two new Councils and ensure this was managed in an orderly and financially prudent manner.

The current number of shared services has remained stable in the recent past and currently stands at eight as detailed below:

- Libraries Specialist Support
- Civil Contingencies and Emergency Planning
- Farms Estate
- Archaeology Planning Advisory
- Cheshire Rural Touring Arts Network
- ICT
- Transactional Service Centre
- Archives and Local Studies

- 4.2 ICT Shared Services and the Transactional Service Centre (TSC) are the largest of the current shared services, both of which are transforming their service arrangements following a common approach.
- 4.3 The Archives and Local Studies Service is undertaking a review of its buildings estate and is working on proposals that will see a bid to the Heritage Lottery Fund (HLF) that will modernise the building infrastructure and through that the ways of working, continuing to share service across the County area. Updates on the projects are regularly reported through to this committee and will continue at later meetings.
- 4.4 The remaining five shared services are stable, with service managers and client managers working together to agree and implement service and budget plans through each Council's own planning processes. Outturn reports have not highlighted any areas of concern.
- 4.5 The Joint Officer Board met with the managers of these service areas and established that there are agreed commissioning plans and performance is reviewed as part of the normal Council(s) outturn processes. The nature of the shared arrangement has developed over the recent years resulting in more formalised shared arrangements, with the service and staff being provided by one or other of the Councils, operating under an agreed service contract.
- 4.6 Following the agreement of the SSJC a workshop was held on 2nd May 2018 with SSJC members Joint Officer Board Officers to develop proposals regarding the governance arrangements for the Shared Services Joint Committee.
- 4.7 Members agreed that the SSJC is a positive experience and gave an opportunity to discuss shared services changes in a supportive forum. However, frequently there is insufficient business and meetings have been cancelled, whilst at other meetings the content has simply been short

update reports, resulting in shorter meetings and in many cases the same content featured at other member governance meetings.

- 4.8 The workshop agreed in principle that a proposal to reduce the number of meetings but with a deeper focus on the Shared Services going through a transition would be best use of the both the SSJC and JOB's focus.
- 4.9 Those shared services in a stable state will be managed as very light touch or exception based as there are a number of officer and member governance mechanisms already in place. A short annual update accompanying the outturn report outlining the year's performance, achievements and any planned significant changes in the future for the committee will be produced.
- 4.10 Discussion on the purpose of the Committee following the transition of the Shared Services going through change to a more stable state led to the need to put in place further SSJC and Officer working groups to identify opportunities to review the committee governance further and to identify if there are more opportunities in the future to share.
- 4.11 It is suggested that the JOB retains its role supporting and facilitating the work of the Joint Committee, focussing more of its activity and time on shared opportunities, whilst also reducing its frequency of meetings to mirror SSJC.
- 4.12 Following the discussion and conclusions at this meeting, it is suggested that the arrangements and the SSJC Constitution, Terms of Reference and Financial Memorandum, alongside those of the JOB shall be updated. The changed arrangements being included in a comprehensive update report to the July SSJC meeting, setting the revised governance in place for the future.

5. Wards Affected and Local Ward Members

- 5.1. None

6. Implications of Recommendation

6.1. Policy Implications

There are no known Policy implications.

6.2. Legal Implications

Legal will be fully involved in developing the revised agreements, governance.

6.3. Financial Implications

There are no specific Finance implications however the stream lining will improve and increase the focus due to the nature of the suggestions whilst also reducing the work load and time commitment for all involved.

Equality Implications

There are no equality implications

6.4. Rural Community Implications

There are no impacts on the rural community

6.5. Human Resources Implications

There are no specific HR or Finance implications however the stream lining will improve and increase the focus due to the nature of the suggestions whilst also reducing the work load and time commitment for all involved.

6.6. Health and Wellbeing Implications

There are no known implications on Health and Wellbeing at this time

6.7. Implications for Children and Young People

There are no implications of Children and Young People

6.8. Overview and Scrutiny Committee Implications

There are no known specific impacts at this time.

6.9. Other Implications (Please Specify)

None

7. Risk Management

7.1. None.

8. Access to Information

8.1. Previous reports which set out the background are available publically.

9. Contact Information

Contact details for this report are as follows:

Name:	Dominic Oakeshott
Designation:	Chair of Joint Officer Board
Email:	<u>dominic.oakeshott@cheshireeast.gov.uk</u>

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