

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 It was estimated that 80% of the ICT estate had been deemed to be out of date which carried significant risks to both Councils of failure and security.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)