



Shared Services Joint Committee

Agenda

Date: Friday, 21st January, 2022

Time: 10.00 am

Venue: Virtual Meeting

For anyone wishing to view the meeting live, please click on the link below:

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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 in the report.

It should be noted that Part 1 items of Cheshire East Council decision-making meetings are audio recorded and the recordings are uploaded to the Council's website.

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.

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: Helen Davies
Tel: 01270 685705
E-Mail: helen.davies@cheshireeast.gov.uk

4. **Minutes of Previous Meeting** (Pages 3 - 6)

To approve the minutes of the meeting held on 26 November 2021.

5. **Best4Business Update** (Pages 7 - 18)

To update members on the latest position with regard to the implementation of the replacement HR and Finance system for the Councils and their partners.

6. **Shared Services Business Plans 2021- 22 - Quarter 3 Review** (Pages 19 - 122)

To consider a report which provides a summary of the 2021-22 Quarter 3 position for the Shared Service arrangements between Cheshire East Council (CEC) and Cheshire West and Chester Council (CWC).

7. **Shared Service Review Update Report** (Pages 123 - 130)

To receive an update of the progress of the shared services review.

8. **Shared Services Forward Plan** (Pages 131 - 132)

To consider the Shared Services Forward Plan.

Membership: Councillors JP Findlow, J Rhodes, A Stott, P Donovan, C Gahan and K Shore.

Minutes of a meeting of the **Shared Services Joint Committee**
held on Friday, 26th November, 2021 in the Council Chamber, Wyvern
House, The Drumber, Winsford CW7 1AH

PRESENT**Cheshire East Council**

Councillors Steve Edgar (substitute for Councillor Paul Findlow), Jill Rhodes and Amanda Stott

Cheshire West and Chester Council

Councillors Carol Gahan and Paul Donovan

Officers in attendance: **Cheshire East Council**

Jane Burns, Executive Director Corporate Services

Alex Thompson, Director of Finance and Customer Services

Gareth Pawlett, Head of ICT and Chief Information Officer

Julie Gregory, Legal Team Manager

Rachel Graves, Democratic Services Manager

Cheshire West and Chester Council

Laurence Ainsworth, Director of Public Service Reform

Aaron Thomas, B4B PMO and Governance Lead

Clare Jones, Senior Manager, Financial Management

Paul Newman, Archives and Local Studies Manager

Catherine Salt, Corporate Legal Manager

17 APOLOGIES FOR ABSENCE

Apologies were received from Councillor JP Findlow (Cheshire East Council) and Councillor K Shore (Cheshire West and Chester Council).

18 DECLARATIONS OF INTEREST

No declarations of interest were made.

19 PUBLIC SPEAKING TIME/OPEN SESSION

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

20 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 24 September 2021 be approved as a correct record.

21 ARCHIVES PROJECT UPDATE

Consideration was given to the report which provided an update on the Archives Relocation Project.

Since the last update report to the Joint Committee extensive consultation in the form of workshops, informal meetings and surveys had taken place with target audiences with the results identifying what users of the service would like to see provided in the new history centres.

The project had also been piloting new digital services and tools to encourage more people to use the archives. The digital services included online exhibitions and events, interactive quizzes, and walks which enabled people to listen to oral history recordings at various points along the routes via their mobile devices.

The RIBA Stage 2 development of the detailed plans for the proposed new centres in Chester and Crewe had been signed off and development would now move towards RIBA Stage 3 in early 2022, with public consultation included in the project plan.

It was noted that the initial cost estimates were higher than the current financial envelope and any increases would need to be considered as part of each Council's capital planning process. Once the design process was completed and prior to submission of the funding application, an updated business case would be submitted taking account of the actual projected build costs.

RESOLVED:

That the current status of the Archives Project be noted.

22 SHARED SERVICES BUSINESS PLANS 2021- 22 - MID-YEAR REVIEW

Consideration was given to the report which provided a summary of the Shared Services Business Plans progress at the mid-year position for the shared services between Cheshire East Council and Cheshire West and Chester Council. The report included financial and non-financial performance information over the period 1 July 2021 to 30 September 2021.

Members noted that section 5 of the report contained summaries of each service for the following key areas: budget position; priorities and objectives; key performance indicators; and risk and issues. Dashboards for each service and a more detailed summary of their position in relation to performance were highlighted in section 6 of the report.

The overall position for the mid-year review point was that in terms of performance was that most services were meeting expectations in the business plans. It was noted that both ICT and Transactional Services continued to report financial pressure associated with Best4Business and

unachievable income. Budget provisions for this had been made by the two Councils.

RESOLVED: That

- 1 the Shared Services Mid-year performance for 2021-22 be noted; and
- 2 the financial pressures on IT and TS Shared Services budgets be noted.

23 SHARED SERVICE REVIEW UPDATE REPORT

Consideration was given to the report which provided an update on the progress with the Shared Services Review.

With regards to the in-depth review of ICT Shared Services, a specification had been developed, setting out the further detail and assurance required to understand the impacts, the delivery plan, the costs, and the benefits of moving to the recommended ICT model so that both Councils could make a decision.

The final draft of the Transactional Services review report had now been submitted and was being taken through Officer governance for final comment before being shared with Members. The report outlined that because of the strategic alignment between the two councils and implementation of Unit 4 ERP, the current extent of the shared services model could not feasibly be changed and that the best option would be to optimise the current service first. Benchmarking information showed that Transactional Services were competitive on both costs and service delivery volumes across payments and income, and payroll and recruitment.

A draft report on the remaining six shared services was nearing completion and had identified there was a mixed approach to how these smaller shared services operated and also areas for review relating to funding, pricing and governance had been identified.

RESOLVED: That the Joint Committee

- 1 agrees and notes the progress of the review and contents of the report;
- 2 notes the next steps for ICT;
- 3 notes the latest findings for Transactional Services;
- 4 notes the latest findings for the six smaller Shared Services;
- 5 notes the cross-cutting themes emerging from the review.

24 **BEST4BUSINESS UPDATE**

Consideration was given to a report which detailed the latest position regarding the implementation of the replacement HR and Finance system for the Councils and their partners.

The report provided an update on the second programme 'go live' decision and system launch, the next steps leading to programme closure, the financial position of the remaining programme, and an update on ongoing Elected Member oversight of the programme.

It was noted that the new HR and Payroll functionality was now live and that the first payroll run had been undertaken in November for pensions, Academies, and external payroll customers, with the Councils and Council-owned companies transitioning to the new system in December.

As the Best4Business programme was nearing conclusion it was anticipated that it would shortly reach a point where a technical programme closure could be achieved, with formal full closure following at a later point. It was proposed that a formal post implementation review would be carried out and the findings reported to the Joint Committee and Scrutiny members.

RESOLVED: That Members

- 1 note the launch of the HR and Payroll elements of the new Unit4 ERP system and the remaining steps to transfer all remaining payroll activity to the new system for December;
- 2 note and approve the proposed next steps leading to formal closure of the Best4Business programme;
- 3 note the reported financial position of the remaining programme;
and
- 4 agree ongoing activity in relation to Member oversight and governance.

25 **DATE AND VENUE FOR NEXT MEETING**

Consideration was given to the Work Programme for the remaining Joint Committee meeting in 2021/22.

The next meetings would be on Friday 21 January 2022 at 10 am in the Council Chamber at Wyvern House, Winsford.

The meeting commenced at 10.00 am and concluded at 10.36 am

Councillor J Rhodes

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

REPORT TO: SHARED SERVICES JOINT COMMITTEE

Date of Meeting:	21 January 2022
Report of:	Jane Burns, Executive Director Corporate Services, Cheshire East Council Mark Wynn, Chief Operating Officer, Cheshire West & Chester Council
Subject/Title:	Best4Business Update

1.0 Report Summary

- 1.1 The purpose of this report is to update Members on the latest position with regard to implementation of the replacement HR and Finance system for the Councils and their partners. The report provides an update on progress since the meeting of this committee in November 2021.
- 1.2 The report provides an update to Members of the Committee on the following key areas:
 - Update on the second programme go live and system launch;
 - Update on next steps leading to programme closure;
 - Update on the financial position of the remaining programme; and
 - Update on governance and oversight of the Programme.

2.0 Decisions Requested

That Members:

- 2.1 Note the successful transfer of all remaining payroll activity to the new Unit4 ERP system in December;
- 2.2 Note the progress with activities leading to formal closure of the Best4Business programme;
- 2.3 Note the reported financial position of the programme; and
- 2.4 Note the remaining activity in relation to Member oversight and governance.

3.0 Reasons for Recommendations

- 3.1 This paper provides information to the Committee Members to enable them to review the status of the implementation of the replacement Finance and HR system for both Councils.

4.0 Report Background

- 4.1 At the May 2016 meeting of this Committee, Members approved a programme of work to procure a new system to replace the existing Finance and HR system. Both Councils' Cabinet meetings approved a recommendation in July 2017 to award a contract to Agilisys for the implementation of the Unit4 ERP system.
- 4.2 In November 2019 (Cheshire West & Chester) and December 2019 (Cheshire East), each Council's Cabinet approved recommendations relating to the Best4Business programme. This Committee was provided with an update regarding the scope and phasing of the programme, the revised programme governance arrangements, the procurement of external advisors, future arrangements for Member oversight of the programme and the scope of revised commercial arrangements with Agilisys.
- 4.3 Delegated authority was also given to senior officers to finalise negotiations and agree variations to the contract with Agilisys, and to update the Inter-Authority Agreement.
- 4.4 This Committee have received reports during 2021, on 19 February, 11 June, 23 July (held as an informal Committee), 24 September, and 26 November.
- 4.5 This report provides an update to members of this Committee on progress in the implementation of these decisions, with a particular focus on progress post go-live, the programme budget, and continuing arrangements for Member oversight of the programme.

5.0 Programme Update

HR and Payroll "Go Live"

- 5.1 At previous meetings of this Committee, members have been presented with a summary of the key programme plan dates for the remainder of the implementation of the Unit4 ERP solution, with the go-live of the new system being phased across two different dates for different "modules" of the system. Key milestone dates in the approved plan relating to the second of the two "go live" dates, and their current status, are as follows:

	Milestone Activity	Outcomes	Target Completion	Progress Update
8	Build and unit test of remaining HR functionality and all payroll functionality	<ul style="list-style-type: none"> Build and first level of testing of all defects and changes for the remaining HR and Payroll functionality 	August 2020	<ul style="list-style-type: none"> Complete
9	Integrated System Test remaining HR functionality and all payroll functionality	<ul style="list-style-type: none"> An end to end test of the functionality to ensure it works and no unintended or cross-functional issues are present 	November 2020	<ul style="list-style-type: none"> Complete

	Milestone Activity	Outcomes	Target Completion	Progress Update
10	Data Migration activity to support HR and Payroll testing	<ul style="list-style-type: none"> Data is extracted from the existing Oracle system, transformed and loaded into the test Unit4 ERP system, reconciled to ensure quality, and prepared for testing activity or live cutover activity as required 	Multiple rounds of testing to September 2021	<ul style="list-style-type: none"> Complete
11	User Acceptance Test of the remaining HR functionality and all payroll functionality across both Councils	<ul style="list-style-type: none"> Testing to ensure all required processes can be completed Go live critical tests to be completed by August with further round of lower priority testing into September 	September 2021	<ul style="list-style-type: none"> Complete
12	Payroll Parallel Run for all payroll functionality across both Councils	<ul style="list-style-type: none"> A Payroll Parallel Run is the process of comparing the results of the current Oracle payroll with the new Unit4 ERP payroll to ensure the new system is calculating payroll accurately 	September 2021	<ul style="list-style-type: none"> Complete
13	Training and Business Change completed for remaining HR functionality and all payroll functionality	<ul style="list-style-type: none"> Alongside technical development of the new system, new business process, training and stakeholder engagement activities will be delivered to ensure users are ready to work with the new system and will adopt any new ways of working 	October 2021	<ul style="list-style-type: none"> Complete
14	Go-Live for remaining HR functionality and all payroll functionality	<ul style="list-style-type: none"> Final snapshot of data uploaded to the system and employees / system users migrated 	November 2021 for initial payrolls / December 2021 for remaining payrolls	<ul style="list-style-type: none"> Complete (see below)

	Milestone Activity	Outcomes	Target Completion	Progress Update
15	“Hypercare”	<ul style="list-style-type: none"> • Hypercare is a period of heightened support from the programme team to ensure any go live issues are resolved at pace • The support team gradually take over the day-to-day support 	December / January 2021	<ul style="list-style-type: none"> • Underway
16	Programme Closure	<ul style="list-style-type: none"> • A post implementation review following the second go-live is undertaken • All programme artefacts and documents are stored securely for future use and programme team are stood down 	April 2022	<ul style="list-style-type: none"> • Underway • Preparation for technical programme closure is in hand

5.2 Members have previously been informed that the Programme Board approved the launch of new HR and Payroll functionality in advance of November 2021’s payroll, and that payroll payments for Pensioners, Academies and Externals were successfully processed using Unit4 ERP for November.

5.3 The more complex Council payrolls (including Council staff and employees of Council-owned companies) were processed using the legacy Oracle system for November, allowing additional time for resolution of outstanding issues. These payrolls were processed as planned using the new Unit4 ERP system in December, representing a further 16,000 or 33% of payroll recipients being paid using the new system. This completes the transfer of live system activity from the legacy Oracle system.

Training and Communications

5.4 A range of training and business change activities have been undertaken, to ensure the Councils and our partners were prepared for the HR and Payroll go-live. Where appropriate these activities are continuing and will be taken forward as necessary as part of “business as usual” solution support:

	Subject	Activities
1	Training	<ul style="list-style-type: none"> • The formal training programme in support of the solution launch is complete • The network of Change Champions remains in place and is providing day to day advice and guidance to their service areas on best practice and resolving practical system queries and challenges • All online training material remains available to end users • The central Governance & Support team review requests for support arising from end users (including Council staff, Council owned companies, schools and academies) and will identify

	Subject	Activities
		the most appropriate mechanisms for ensuring the skills base amongst the end user community is maintained and refreshed
2	Communications and Stakeholder Engagement	<ul style="list-style-type: none"> • Communications to end users are continuing on a regular basis or in response to specific issues, and are being managed at present as a continuing programme activity • Regular updates for Members have been issued throughout the go live period and will continue until programme closure.
3	Cutover	<ul style="list-style-type: none"> • Cutover activities are now complete
4	Council Companies	<ul style="list-style-type: none"> • Specific go-live engagement activities with Council Companies are complete
5	Schools	<ul style="list-style-type: none"> • Specific go-live engagement activities with schools are complete
6	Business Processes	<ul style="list-style-type: none"> • Ownership of business processes, and any outstanding queries relating to specific processes at go live, has been handed over to nominated business process owners within the Councils

6.0 Programme Budget

6.1 Current forecast programme expenditure is as follows:

Programme Spend	Previously forecast 20/21 and 21/22 expenditure £m	Financial Year (actual) 20/21 £m	Financial Year (estimated forecast) 21/22 £m	Total forecast £m
Retained element for asset purchase	0.25	0.00	0.25	0.25
Estimated payments to software provider	3.03	2.44	0.64	3.08
Programme Management costs	3.18	2.34	0.84	3.18
Other (including training)	0.54	0.35	0.19	0.54
Less: chargeable to COVID	(0.20)	(0.06)	(0.14)	(0.20)
Less: costs charged outside programme	(0.27)	(0.27)	0	(0.27)
Total	6.53	4.80	1.78	6.58

6.2 Both Councils have made available funding sufficient to accommodate the overall costs of the programme as outlined above. For Cheshire West & Chester, funds have been set aside in an earmarked reserve as part of the 2020-21 outturn report and approval has been sought as part of mid year reporting to draw an appropriate level of funding down. For Cheshire East, capital funding, which has already been approved to support Core ERP systems during 2021-22, has been identified and will be transferred as necessary to the main B4B programme. Both Councils will continue to fund an equal share of programme costs. Some elements of the cost of the remaining programme relate to COVID-19 challenges and will be charged to appropriate COVID contingency funds. A final review of programme expenditure will be carried out and reported as part of the programme lessons learned review referred to in the following section.

- 6.3 There is ongoing dialogue as to the cause of previously reported delays to the programme plan reported in November 2020, and the associated costs between the Councils and the provider. Further dialogue has been initiated regarding certain charges and additional delays. The programme is looking to resolve these issues as part of overall programme closure.
- 6.4 Additionally, as reported previously some costs have been incurred within the Councils to support the delivery of this programme. Directors in each Council have agreed to absorb the costs of Council staff within their own budgets, subject to a cost sharing mechanism between the Councils as agreed by this Committee in November 2019. These will be reported to members as part of the regular financial reporting within the Councils.

7.0 Programme closure process

- 7.1 The programme is now drawing towards its conclusion. The programme team are preparing for the initial technical closure of the programme, with formal full closure following planned to be achieved at a later point.
- 7.2 The key outcomes which will be delivered in order to achieve technical programme closure are:

Activity	Status
Finalise reconciliation and adjustment activity for December payroll	Complete
All staff to be paid from Unit4 ERP for December payroll	Complete
Support the upgraded system in “hypercare” mode until it is assessed as ready to move into “business as usual” – expected to take until into the new year, and with a formal hypercare exit decision required;	Review of hypercare exit criteria and decision on formal exit of hypercare schedule for Programme Board on 27 January 2022
Programme management support resources from Ameo, and software delivery resources from Agilisys, cease involvement and leave the programme team	Resources required from Ameo and Agilisys to support programme closure have been approved by Programme Board with appropriate contractual arrangements in place.
Most seconded Council employees who have formed part of the programme team return to their substantive roles within the Councils	Transfer of the majority of the programme team back to business as usual roles has either been achieved as at end of December 2021 or is taking place during January 2022.

- 7.3 Having achieved technical programme closure, final activities required prior to formal programme closure include:

- Programme management records and documentation are finalised and archived;
- Post implementation review carried out and reported to Programme Board;
- Any remaining seconded Council employees who have formed part of the programme team return to their substantive roles within the Councils.

7.4 From the point of programme closure, the Unit4 ERP system will operate entirely in “business as usual” mode. Key points to note in this respect include:

- Council support activity for the system will be delivered entirely by the Councils, led by the Governance & Support team and the ICT Service Desk, and supported by other key corporate service areas including Finance and HR;
- Most elements of the system continue to be hosted by the software provider Unit4;
- Third party support and maintenance is provided via each Council’s ongoing support contract with Agilisys – this includes external helpdesk support and fixes for any faults or errors arising during live operations;
- Regular upgrades and updates to the system will be made available by Unit4 and applied to our live system as part of contractual support arrangements;
- Performance against the service contracts will be reported by Agilisys and overseen and managed by the Governance & Support team;
- Any changes to the built system required by the Councils will be delivered as a contractual change and will come at additional cost.

7.5 In addition, a formal lessons learned review will be undertaken, to be overseen by the Joint Committee and Scrutiny members. The terms of reference for the review will be agreed by those Members. The results of the review will be reported to the relevant Member bodies in both Councils.

8.0 Member oversight of the programme

8.1 Member oversight of the programme has been key to its success. The table below summarises key member engagement events which have taken place during 2021 and which are planned for 2022:

Date	Meeting
Shared Services Joint Committee	
19 February 2021	Update report
12 March 2021	Update report
11 June 2021	Update report
23 July 2021	Update report (informal)
24 September 2021	Update report
26 November 2021	Update report
21 January 2022	Update report
25 March 2022	Update report
To be scheduled for early Financial Year 2022/23	Programme closure report
Joint Scrutiny Working Group	
18 February 2021	Review Finance go-live
31 August 2021	Update report
1 November 2021	Review of HR and Payroll go-live

Date	Meeting
To be scheduled for early Financial Year 2022/23	Post implementation review
Scrutiny Committees	
Cheshire West and Chester Scrutiny – 21 January 2021	Briefing note in lieu of Committee meeting
Cheshire East Corporate Scrutiny Committee – 8 April 2021	Verbal update
Cheshire West and Chester Scrutiny Committee – 7 June 2021	Feedback on published SSJC report
Cheshire West and Chester Scrutiny Committee – 15 November 2021	Feedback from Joint Scrutiny Working Group held on 1 November 2021
Cheshire East Policy Committee – 10 February 2022	Feedback from Joint Scrutiny Working Group held on 1 November 2021
Cheshire West and Chester Scrutiny Committee – tbc 2022	Feedback from Joint Scrutiny Working Group to be held early in Financial Year 2022/23
Cheshire East Policy Committee – tbc 2022	Feedback from Joint Scrutiny Working Group to be held early in Financial Year 2022/23

8.2 In addition, regular all-Member briefings have been produced since October. An update report will be provided to the next meeting of the Shared Service Joint Committee.

9.0 Wards affected

9.1 The implications of the recommendations in this report are borough-wide for both Councils.

10.0 Policy implications

10.1 There are no policy implications arising from the recommendations in this report.

11.0 Financial Implications

11.1 The budget implications of the programme are noted at section 6 to this report.

12.0 Legal Implications

12.1 Each Council entered into a contract with Agilisys for the ERP System. Cheshire East Council are responsible for managing the contract through the implementation phase for both Councils. The Councils entered into a Deed of Variation with Agilisys to reflect the reset of the programme. Under the Deed of Variation, work packages are agreed with Agilisys, setting out the services to be provided by them and the target price of the relevant resources, which are priced in accordance with the mechanism contained in the Deed of Variation provided that the Councils responsibilities and dependencies are met. The cost of current works orders has been reflected in the budget update in section 6.

12.2 A comprehensive Inter Authority Agreement (IAA) was entered into by both Councils, at the time the original contracts were agreed with Agilisys. The IAA ensures that each

Council's obligations to the programme are documented and ensures that Cheshire East Council are in a position to meet their contractual obligations on behalf of both Councils during the implementation phase. The IAA was updated when the Deed of Variation was entered into to reflect the reset of the programme. A further update to reflect the final phasing of the programme and associated costs, and handover to business as usual, has been scheduled.

- 12.3 Following implementation, each Council's ongoing operational management of the system will be managed through the separate contracts with Agilisys.
- 12.4 Cheshire East entered into a contract with programme management advisors Ameo on behalf of both Councils. The costs of the agreement with Ameo are shared equally between the Councils through the IAA. The revised proposed programme plan has resulted in additional programme management costs being forecast. In line with the revised programme plan approved by Programme Board, the related milestones in the contract with Ameo have been revised to reflect the amended deliverables and timelines. The current cost of programme management support has been reflected in the budget update at section 6.
- 12.5 Cheshire West & Chester entered into a contract for change management support with Augere Ltd on behalf of both the Councils. The costs of the agreement with Augere are shared equally between the Councils through the IAA. Contracted costs with Augere have been included in the budget update at section 6.

13.0 Risk management

- 13.1 The programme has a detailed risk register which is monitored regularly. The main risks to the remaining delivery of the programme at the time of reporting are:

Risk	Previously reported severity	Mitigation	Post mitigation severity
<ul style="list-style-type: none"> November pay differences for Councils and Council-owned companies require further reconciliation and resolution prior to December payroll 	Red	<ul style="list-style-type: none"> Now resolved – December payroll has been paid for all recipients using Unit4 ERP 	Closed
<ul style="list-style-type: none"> Delaying access to some system functions to enable continued payroll reconciliation activity will mean users cannot input until later in November. 	Amber	<ul style="list-style-type: none"> Now resolved – system access fully rolled out 	Closed
<ul style="list-style-type: none"> Staff wellbeing – post programme delivery and resolution of ongoing business as usual challenges continues to place some individuals under pressure 	Amber	<ul style="list-style-type: none"> Close monitoring and engagement with individuals Planning for end of programme and utilisation of outstanding leave and flexi balances 	Amber
<ul style="list-style-type: none"> Forecasting module support model is outside existing contractual arrangements and requires definition 	Amber	<ul style="list-style-type: none"> Workshops planned to work through responsibilities and relationships Contractual amendment required 	Green
<ul style="list-style-type: none"> Residual programme planning – programme being managed in an agile manner to completion 	Amber	<ul style="list-style-type: none"> Regular programme leadership reviews of activities and deadlines prior to programme closure 	Green

14.0 Access to Information

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

: *Mark Wynn*
: *Best4Business Programme Sponsor*
: *Tel No: 01244 972890*
: *Email: mark.wynn@cheshirewestandchester.gov.uk*

: *Jane Burns*
: *Best4Business Programme Sponsor*
: *Tel No: 01270 686013*
: *Email: jane.burns@cheshireeast.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*

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Cheshire East Council

Cheshire West and Chester Council

Shared Services Joint Committee

Date of Meeting: 21 January 2022

Report Title: Shared Services Business Plans 2021- 22 – Quarter 3 Review

Senior Officer: Jane Burns: Executive Director of Corporate Services, CEC
Mark Wynn: Chief Operating Officer, CWC

1. Report Summary

- 1.1 This report provides a summary of the 2021-22 Quarter 3 position for the Shared Service arrangements between Cheshire East Council (CEC) and Cheshire West and Chester Council (CWC).
- 1.2 The report includes financial and non-financial performance information for the period 01/04/21 to 31/12/21.
- 1.3 The report provides summaries of each of the key areas including the budget position, priorities and objectives, key performance indicators, and risks and issues, across all of the shared services, together with, for each service, a service dashboard with a summary narrative. Full business plans can be found in Appendix 2.
- 1.4 Overall, the position at the quarter 3 review point is that most services are meeting expectations. However, although most services are forecasting a balanced budget, both ICT and Transactional Services continue to report financial pressures associated with the B4B programme and the achievement of income targets. Work continues to be undertaken on mitigating the shortfalls, but it is unlikely that a balanced year end position can be achieved. The Emergency Planning service is forecasting a very small overspend.

2. Recommendations

- 2.1 It is recommended that Members:
 - i) Note the Shared Services Quarter 3 performance for 2021-22.
 - ii) Note the ongoing financial pressures on IT and TSC Shared Services budgets.

3. Reasons for Recommendations

- 3.1 The Shared Services Administrative Agreement makes provision for the Joint Committee to receive reports to enable the review and monitoring of the performance of the Shared Services to take place. This report provides the 2021-22 quarter 3 position.
- 3.2 This report helps to deliver the revised performance management arrangements, agreed at the Shared Service Joint Committee (SSJC) on 25 September 2020. The revised arrangements assist with ensuring that service strategies, together with, the resources and budgets required to deliver the service strategies, are in place and being effectively implemented.

4. Background

- 4.1 Currently there are eight Shared Services (six CWC hosted and two CEC hosted). They are:
- Archaeological Planning and Advisory Services (APAS) - CWC
 - Archives and Local Studies - CWC
 - Cheshire Rural Touring Arts – (CRTA) - CWC
 - Emergency Planning - CWC
 - Farms Estate (Management) - CEC
 - ICT - CEC
 - Libraries Shared Service - CWC
 - Transactional Services - CWC
- 4.2 Day-to-day performance is managed by each shared service manager who reports, through their normal line management arrangements, to a service manager in the host authority and has a relationship with a client manager, in the other authority.
- 4.3 Shared service business plans provide details of the shared service operation, objectives and resources required. The business plans require a degree of flexibility to enable an appropriate response to the changing needs of each council, especially during the ongoing pandemic.
- 4.4 An overall summary of performance and business activity all of the shared services is in appendix 1.

5. Overall Summary

5.1 Overall Summary Ratings

The table below provides a judgement on the overall performance for each of the shared services. The judgement takes into account both performance (objectives and KPIs) and the budget position. The judgement criteria are set out below:

- RED – overspend of more than 10% of the budget and/or most objectives and/or KPIs not being met or on target
- AMBER – overspend of less than 10% of the budget and more than two objectives and /or KPIs not on target
- GREEN – on budget or underspent and all objectives and KPIs are on target

Service	Overall Performance 2019-20	Overall Performance 2020-21	Q1 Performance 2021-22	Q2 Performance 2021-22	Q3 Performance 2021-22
Archaeology Planning Advisory Service	Green	Amber	Green	Green	Green
Archives and Local Studies	Green	Amber	Green	Green	Green
Cheshire Rural Touring Arts	Green	Green	Green	Green	Green
Emergency Planning	Amber	Amber	Amber	Green	Green
Farms Estate Management	Green	Amber	Green	Green	Green
ICT	Amber	Amber	Amber	Amber	Amber
Libraries Shared Service	Green	Amber	Green	Green	Green
Transactional Services	Amber	Red	Amber	Green	Amber

Overall Summary Ratings Commentary

Budget

- Most services are reporting a balanced budget or underspent financial position.
- Emergency Planning is forecasting a small overspend of £1,697.
- The ICT budget has forecast overspend of £1.61m, a proportion of which relating to staff pay award and Unit 4 ERP, has been provided for by the two councils.
- Transactional Services are currently forecasting an overspend of £584,501 which is 10.87% of the total budget and is mainly due to the impact of the revised, later, Go live date for phase 2 of the Unit4 ERP system. The overspend has been provided for by the two councils.

Objectives

- Most services are on track with objectives being achieved.
- Emergency Planning have one objective impacted by Covid-19.
- Transactional Services have three objectives rated as amber this quarter.
- More information is set out in the individual summaries within the report and in the individual business plans in Appendix 2.

Key Performance Indicators

- Most services KPIs are on track with four KPIs, one each in APAS, Emergency Planning, Archives and Local Studies, and Libraries Shared Service, that are impacted by Covid 19. They are set out in the individual service summaries within this report and in the individual business plans in Appendix 2.

5.2 Budget Summary

The table below summarises the end of year forecast financial position for the all of the shared services.

Service	Planned Budget £	Q1 Forecast £	Q2 Forecast £	Q3 Forecast	Forecast Variance £
Archaeology Planning Advisory Service	158,817	158,817	158,817	158,817	0
Archives and Local Studies	461,602	461,602	461,602	461,602	0
Cheshire Rural Touring Arts	84,000	84,000	84,000	84,000	0
Emergency Planning	303,716	302,522	307,198	306,668	1,697
Farms Estate Management	225,938	162,720	157,063	157,332	(69,342)
ICT	17,350,000	17,840,000	18,960,000	18,960,000	1,610,000
Libraries Shared Service	330,836	330,836	330,836	330,836	0
Transactional Services	5,294,018	5,522,270	5,882,235	5,924,481	£584,501

Budget Summary Commentary

- Most services are reporting a forecast balanced or an underspent position at year end.
- The Farms Estate Management underspend is due to an ongoing staffing vacancy
- Emergency Planning are forecasting a small overspend of £1,697 which is 1% of the total budget.

- ICT are currently forecasting an overspend of £1.61m. Budget provision to cover £299k for B4B related costs falling within this overspend has been identified separately by the two councils. A further £167k of the overspend relates to shortfall in growth for the pay award (not yet finalised). Detailed work has been completed on the budget. The funding model is predicated on 100,000 hours of income relating to projects .
- At the start of the financial year, it was anticipated that the figure would be in the region of 75,000 hours. There is however increasing pressures at this point in the year. Recoverable commissioned hours could be in the region of 62,000 (excluding B4B hours); this reduction impacts on the forecast overspend. Additional pressure has come from the B4B project with actual hours to date being in the region of 8,300 as opposed to the previously forecast 6,000. In addition, significant hours have been spent responding to the Log4J cyber threat which has diverted resources from chargeable projects. A governance group continues to oversee mitigating actions including vacancy management, a review and reduction of third party contracts and permanent recruitment to replace certain contractor roles. There has been some success in this regard, however, the shortfall in income generating work is unlikely to be recovered this year. Mitigation work is linked to the ongoing shared services review.
- Transactional Services are currently forecasting an overspend of 10.87% which is slight increased from last quarter which was 10.13% of budget. This is due to the impact of the revised, later, GO Live date for phase 2 of the Unit 4 ERP system as it has been agreed that the costs of staff and consultants working on the project are to be charged to the Transactional Services budget. Budget provision for this has been made by two councils. Additionally there is some loss of income predicted from November due to a loss of schools business which is being mitigated by vacancy management within the service.

5.3 Priorities and Objectives Summary

The table below sets out a summary of all of the services' priorities and objectives as at quarter 3. Full details are in each Services Business Plans in appendix 2.

The assessment criteria is:

Green: On Track
 Amber: Behind but expected to be achieved
 Red: Not expected to be achieved
 Blue: On hold due to Covid-19

Service	Total number of Objectives	Number of Green Objectives	Number of Amber Objectives	Number of Red Objectives	On hold due to Pandemic
Archaeology Planning Advisory Service	5	5	0	0	0
Archives and Local Studies	6	6	0	0	0
Cheshire Rural Touring Arts	3	3	0	0	0
Emergency Planning	8	7	0	0	1

Farms Estate Management	2	2	0	0	0
ICT	23	17	5	1	0
Libraries Shared Service	9	9	0	0	0
Transactional Services	7	4	3	0	0

Priorities and Objectives Commentary

- Most priorities and objectives across all services are on track.
- The Emergency Planning objective which is behind but expected to be achieved by the end of the year, is off track due to the impacts of Covid-19. The objective is the continued implementation of the off-site planning and exercise regime to ensure that both authorities meet their statutory emergency planning obligations under the COMAH, REPPiR, PSR, and Flood & Water Management legislation.
- The three Transactional Services objectives which are behind but expected to be achieved by the end of the year are connected to the implementation on the Unit 4 ERP system. They include:
 1. To review KPI targets, contractual arrangements and SLAs in line with functionality of UNIT4 ERP
 2. To meet service policy options implementing a new structure for the shared service following the implementation of Unit4 ERP
 3. To analyse the reduction in demand on services following the implementation of UNIT4 ERP
- There are five ICT objectives which are rated as amber – off track but expected to be achieved by the end of the year. These include:
 1. Service Improvement Plan (SIP) to drive continuous improvement in operations – there is some slippage on dates agreed with Clients due to resource availability.
 2. Review of Technical Debt Register to inform business planning and to assist with simplification and cost optimisation work. Further work to be undertaken with both Councils to identify what can be decommissioned. Governance improvements under review to ensure that when new systems are implemented the legacy applications are appropriately decommissioned.

3. Support the Councils (Joint Business Design Authority) to enable exploitation of existing ICT investment or design of new services. Core infrastructure components for the Councils continue to be shared.
 4. Agree a new ICT Service Product Catalogue. Value Propositions are being developed.
 5. Recruitment of/New staffing structure for ICT Services. This objective was agreed before the Shared Services Review had been completed. Targeted recruitment areas include Hosting, Server and Networks.
- One ICT objective is now assessed as red – the development of a sustainable financial strategy. Good progress made around the service information, utilisation, cost transparency, demand, contracts and resourcing. Work on the transition to a new model will continue subject to the recommendations from the Shared Service Review.

5.3 Key Performance Indicators Summary

The table below sets out an overview of the key performance indicators (KPIs) as at quarter 3 for each of the shared services. The assessment criteria is:

Green: On Track
 Amber: Behind but expected to be achieved
 Red: Not expected to be achieved
 Blue: On hold due to Covid-19

Service	Total number of KPIs	Number of Green KPIS	Number of Amber KPIs	Number of Red KPIs	On hold due to Pandemic
Archaeology Planning Advisory Service	5	4	0	0	1
Archives and Local Studies	6	4	1	0	1
Cheshire Rural Touring Arts	3	3	0	0	0
Emergency Planning	5	4	0	0	1
Farms Estate Management	10	10	0	0	0
ICT	3	3	0	0	0
Libraries Shared Service	11	10	0	0	1
Transactional Services	3	3	0	0	0

Performance Indicators Commentary

- All of the key performance indicators are set out in full in each of the services individual business plans in appendix 2.
- The majority of the KPIs are on track.
- The Transactional Services KPI information is not available but performance is expected to be on track.
- One Archives and Local Studies KPI, previously rated as green is now rated as amber. This relates to the percentage of new collections of archives made accessible to service users within 1 month of receipt. This is because there is an unusually high number of accessions to process this year due to the low number in the previous year. A plan is in place to process this backlog by the end of March 2022.
- There are four KPIs now deferred due to the pandemic, including:
 - The deferred APAS KPI is in respect of the “% number of records reviewed in the Cheshire Historic Environment Record per annum”. This is because the historic Environment Record System cannot be accessed from home and staff are working from home as part of the Covid-19 arrangements. This KPI will resume, in line with new working arrangements, as part of the pandemic recovery plan.
 - The deferred Emergency Planning KPI relates to the number of statutory plans and exercises delivered within agreed timescales. Some of these are currently delayed, but the KPI is expected to be achieved by the end of the year.
 - The deferred Libraries shared service KPI relates to the increase under 5s membership.
 - The deferred Archives and Local Studies KPI related to the Quality of Service KPI as the National survey of visitors to archives now unlikely to be held in 21/22.

5.5 Overview of Risks and issues

Risks are reported by exception. This means that:

- Only risks rated as high risks and scoring 9 or over will be reported
- Risks which increase to 9 will be reported
- New risks of 9 or over added to the risk log will be reported
- Where risks scoring 9 or over have reduced since the last reporting period, they will be reported on to show the risk reduction.

The table below sets out the number of risks and issues for the services at the Quarter 3 review point.

Service	Number of Risk rated 9>	Number of Issues
Archaeology Planning Advisory Service	0	0
Archives and Local Studies	0	0
Cheshire Rural Touring Arts	0	0
Emergency Planning	3	3
Farms Estate Management	1	0
ICT	1	1
Libraries Shared Service	0	0
Transactional Services	3	0
Total	8	4

Risks and Issues Commentary

- All shared service managers manage identified risks, including listing risks and issues on corporate risk registers as appropriate. Only risks rated as high - scoring 9 or 12 - are reported. In total, this quarter, there are 8 risks rated as 9 or over and 4 issues as follows:
 - The Emergency Planning risks and issues remain the same as in previous quarters and have arisen due to the impacts of the ongoing Covid-19 pandemic, they include:
 - Failure to deliver agreed objectives as a result of team responding to a major incidents.
 - Failure to deliver agreed objectives as a result of team responding to significant number of Major Incidents/ Major Incident Standbys .
 - Statutory requirements of COMAH, REPPIR and PSR legislation. Failure to meet those duties in line with the statutory deadlines.
 - The Farms Estate Management has one risk rated as 9 - the impact of reducing income as a result of disposals. This is a primarily a CWC risk.
 - Transactional Services have identified three new risks s listed below.

- Continued loss of income from schools/academies impacts income for the shared service. Many academies and schools have mooted they may consider sourcing different pay providers.
 - Failure to be able to deliver policy option savings due to UNIT4 ERP not delivering the expected benefit realisation. Initial support following go-live has been very high – this has necessitated additional resources being required. By needing additional temporary resources to support the system it is not possible to achieve the expected benefit realisation savings. If there is a continued need to provide support, then it will take longer than planned to realise the benefits.
 - Teething problems following the implementation of Business World would impact the shared service being able to deliver business. Although current system issues do not stop the councils being able to deliver business – there are a few defects (known at the go-live decision point) that are priority fixes.
- The ICT risk is - Any lack of clarity in funding, sourcing, skills, inventory, service levels, governance, and operating procedures may result in failure to provide adequate end user support within reasonable time frames with potential loss of credibility. Failure to keep infrastructure, systems, and solutions in a compliant state. Ageing infrastructure which is either end of life and non-compliant or has a significantly greater risk of failure. A further risk workshop was held in November. Follow up meetings are scheduled for January due to work on the Log4J cyber response.
 - The ICT issue related to the budget overspend is explained in the Budget Commentary above and the individual business plan in appendix 2.
- Further details of all risks and issues are in the individual Business Plans in appendix 2.

6. Individual Shared Service Summaries

The individual shared service summaries for quarter two are set out below in a dashboard format, together with supporting commentary. Each dashboard sets out:

- the overall rating, based on the judgement criteria set out in section 5.1.
- the budget position.
- the number of objectives and their RAG rating (blue are deferred due to Covid -19).
- the number of KPIs and their RAG rating (blue are deferred due to Covid -19).
- the number of risks scoring 9 or over.
- the number of live issues.

A collated summary dashboard for all shared services is in appendix 1.

Full details are in the individual service business plans in appendix 2.

The individual service dashboards are set out below.

Archaeology Planning Advisory Service (APAS)

Dashboard

Overall rating	Green			
Budget	Balanced			
Priorities and Objectives	5	0	0	
Key Performance Indicators	4	0	0	1
Number of risks 9>	0			
Number of issues	0			

Commentary

- The APAS service is rated as green as the budget, objectives and KPIs, with the exception of one, which is now deferred due to the Covid-19 pandemic, are all on track. There are no risks or issues to report.
- The APAS KPI which is rated as blue, deferred due to the pandemic, is “the % number of records reviewed in the Cheshire Historic Environment Record per annum”. This is because the Historic Environment Record System cannot be accessed from home. This KPI will resume in line with new working arrangements as part of the pandemic recovery plan.
- Achievements of note at the quarter 3 review point include:
 - The ‘grey literature’ library (reports generated by fieldwork) has now been digitised as part of the Cheshire Historic Record and the hard copy reports dispatched to Deep Store in Winsford for storage. In the first three quarters of the current year, other discrete elements have also been tackled (Longley archive, North West Wetlands archive, North Cheshire Stone Heads archive, etc).
 - HS2 - Fieldwork on some of the early stage services diversion work began in December and has involved the investigation of a number of sites.
 - Work in Middlewich on new water supply infrastructure was completed in September and uncovered further important evidence relating to the Roman period and the salt production industry.

- A report on excavations in Chester was published in December in the Archaeopress series and the report on the Seven Lows barrow excavation will appear in early January in the journal of the Chester Archaeological Society.

Archives and Local Studies

Dashboard

Overall rating	Green			
Budget	Balanced			
Priorities and Objectives	6	0	0	
Key Performance Indicators	4	1	0	1
Number of risks 9>	0			
Number of issues	0			

Commentary

- The Archives and Local Studies service is rated as green as the budget, objectives and KPIs are all on track, with the exception of one deferred KPI (National survey of visitors to archives now unlikely to be held in 21/22) and one amber KPI (Percentage of new collections of archives made accessible to service users within 1 month of receipt due to a higher number than usual being received). There are no risks or issues to report.
- Achievements of note at the quarter 3 review point include:
 - The re-application to the Archives Accreditation Scheme on 30 Nov 2021 to fulfill the statutory duty to make proper provision for the care of Archives. The outcome of the re-application will be known by the end of March 2022.
 - The onsite volunteer programme restarted in July 2021.
 - The Archives Project passed the mid-point review in December 2021.
 - Extensive community engagement was undertaken during the Spring-Autumn period in 2021. Feedback from NLHF has been very positive about the extent and nature of this consultation.

Cheshire Rural Touring Arts

Dashboard

Overall rating	Green			
Budget	Balanced			
Priorities and Objectives	3	0	0	
Key Performance Indicators	3	0	0	0

Number of risks 9>	0
Number of issues	0

Commentary

- The CRTA service is rated as green as the budget, objectives and KPIs are all on track. There are no risks or issues to report.
- Achievements of note at the quarter 3 review point include:
 - Live events have been programmed and took place from August-Dec 21. A programme of live events is being developed for spring 2022. However, there are less venues able to take work due to volunteer availability, venue closure and concern over Covid 19 restrictions.

Work is taking place with all venues to help support them to plan ahead for hosting events in 2022, including alternative online provision.
 - In September 2021, an extension year bid was submitted to the Art Council for funding for 22/23. The result should be known early in 2022.

Emergency Planning

Dashboard

Overall rating	Green			
Budget	1,697			
Priorities and Objectives	7	0	1	
Key Performance Indicators	4	0	0	1
Number of risks 9>	3			
Number of issues	3			

Commentary

- The Emergency Planning service is rated as green as the priorities, objectives and KPIs are green, except for those deferred due to the pandemic. The budget is forecast to be have a small overspend of £1,697.

- The deferred objective and KPI, and the risks and issues all relate to the implementation of the off-site planning and exercise regime to ensure that both authorities meet their statutory emergency planning obligations under the COMAH, REPIR, PSR, and Flood & Water Management legislation. This is a result of the impacts of Covid 19. However, the KPI regarding the percentage of statutory plans and exercises delivered within agreed timescales, currently stands at 98% against a target of 100%, which is an improvement on last years actual achievement of 76% and last quarters performance of 92%.
- Achievements of note at the quarter 3 review point include:
 - Between 01/04/2021 and 13/12/2021 the Service has responded to 18 incidents (CWAC: 11; CE: 7) including 2 Major Incidents and 7 Major Incident Standbys including the Major Incident for the C-19 pandemic impacting both Council areas, as well as a bird flu outbreak, power outages casued by Storm Arwen, local responses to the Counter Terrorism incident in Liverpool, and implementation of enhanced Counter Terrorism security arrangements in Chester.
 - Poynton Pool On Site Plan has been issued for consultation with partners.
 - Community Resilience work continues post flooding (Jan 2021) and Storm Arwen (Dec 2021) with several TPCs interested in developing Community Emergency Plans.
 - Training continues to take place virtually for those managers who need refreshers, or are new to rota, with excellent feedback

Farms Estate Management

Dashboard

Overall rating	Green			
Budget	(69,342)			
Priorities and Objectives	2	0	0	
Key Performance Indicators	10	0	0	0
Number of risks 9>	1			
Number of issues	0			

Commentary

- Overall, the Farms Estate Management Service is assessed as on track and rated green.
- There is currently an underspend of £69,342 due to a staffing vacancy.

- One risk is rated as 9 and relates to the potential impact of reducing income from disposals. This risk is applicable to CWC council only.
- Achievements of note at the quarter 3 review point include, in respect of disposals:
 - For CWC, in excess of £7 million in disposals including completed, approved and potential disposals identified.
 - For CEC, the Peatland restoration project implemented and Carbon Land Use Assessment collaboration ongoing with potential woodland creation land identified.

ICT

Dashboard

Overall rating	Amber			
Budget	1,610,000			
Priorities and Objectives	17	5	1	
Key Performance Indicators	3	0	0	0
Number of risks 9>	1			
Number of issues	1			

Commentary

- ICT are currently forecasting an overspend of £1.61m. Budget provision to cover £299k for B4B related costs falling within this overspend has been identified separately by the two councils.
A further £167k of the overspend relates to shortfall in growth for the pay award (not yet finalised). Detailed work has been done on the budget.

The funding model is predicated on 100,000 hours of income relating to projects. At the start of the financial year, it was anticipated that the figure would be in the region of 75,000 hours.

There are however increasing pressures at this point in the year. Recoverable commissioned hours could be in the region of 62,000 (excluding B4B hours). Additional pressure has come from the B4B project with actual hours to date being in the region of 8,300 as opposed to the previously forecast 6,000. In addition, there has been significant hours spent on responding to the Log4J cyber threat which has diverted resources from chargeable projects.

A governance group has been overseeing mitigating actions including vacancy management, a review and reduction of third party contracts and permanent recruitment to replace certain contractor roles. There has been some success in

this regard, however, the shortfall in income generating work is unlikely to be recovered this year. Mitigation work is linked to the ongoing shared services review.

- The ICT risk is - Any lack of clarity in funding, sourcing, skills, inventory, service levels, governance, and operating procedures may result in failure to provide adequate end user support within reasonable time frames with potential loss of credibility. Failure to keep infrastructure, systems, and solutions in a compliant state. Ageing infrastructure which is either End Of Life (EOL) and non-compliant or has a significantly greater risk of failure. A number of actions to address the risks are set out in the individual ICT service business plan in appendix 2. In quarter 3, a risk workshop has been held. Further workshops are to be held in January 2022.
- Achievements of note at the quarter 3 review point include:
 - Due Dilligence work, the next phase of the Shared Service Review, has commenced and the service are fully involved in the work.
 - Application Lifestyle Management has been embedded within directorate procurement roadmaps to reflect a consolidated commissioning model for business systems.
 - Progress is being made, as planned, to deliver essential replacement activity to ensure ICT services are performant and compliant, with a key focus on core network and data centre services.
 - In quarter 3 there has been 99.9% availability of critical sytems and services.

Libraries Shared Services

Dashboard

Overall rating	Green			
Budget	Balanced			
Priorities and Objectives	9	0	0	
Key Performance Indicators	10	0	0	1
Number of risks 9>	0			
Number of issues	0			

Commentary

- The Libraries Shared Service is rated as green overall – on track. There are no risks or issues to report.

- The KPI of increasing under 5s membership has been severely affected by the restrictions and the impact of Covid-19. A full update on numbers will only be available at the end of the financial year.

- Achievements of note at the quarter 3 review point include:
 - The Library Management System upgrade has been completed across all libraries. Issues following roll-out identified and resolved. Work now being started on new developments such as stock rotation and development of OPAC.

 - The Stocks contract has been released on Chest with view to completing the exercise in January 2022.

 - Two more subscriptions and more enquiries have been received for the ELS. This is up on the same period last year.

 - Three onsite schools training sessions for secondary schools were well attended.

 - The Bookstart Co-ordinator back in work and the Bookstart objective is now back on track.

Transactional Services

Dashboard

Overall rating	Amber			
Budget	£584,501			
Priorities and Objectives	4	3	0	
Key Performance Indicators	3	0	0	0
Number of risks 9>	3			
Number of issues	0			

Commentary

- Transactional Services is rated as amber as there are three objectives that are each rated as amber including:
 - To review KPI targets, contractual arrangements and SLAs in line with functionality of UNIT4 ERP. This is now planned for quarter 4.
 - To analyse the reduction in demand on services following the implementation of UNIT4 ERP. This will be aligned with the outcomes of the Shared Service Review
 - To meet service policy options implementing a new structure for the shared service following the implementation of Unit4 ERP.
- Transactional Services are forecasting an overspend as a result of the revised date for phase 2 of the Unit 4 ERP go live. A previous agreement that provided for the consultant costs and Transactional Services staff working on the project to be lodged against the Transactional Service budget. No budget was initially allocated to the service to account for these costs however both councils have made separate budget provision for this. Further overspends are due to a forecast loss of income from schools. Mitigation is through vacancy management and is linked to the ongoing shared services review.
- Performance indicator information is not yet available for quarter 3, however, it is expected that the KPIs will be on track.
- There are three newly identified high risks including:
 1. Continued loss of income from schools/academies impacts income for the shared service. Many academies and schools have mooted they may consider sourcing different pay providers.
 2. Failure to be able to deliver policy option savings due to UNIT4 ERP not delivering the expected benefit realisation. Initial support following go-live has been very high – this has necessitated additional resources being required.

3. Teething problems following the implementation of Business World would impact the shared service being able to deliver business. Although current system issues do not stop the councils being able to deliver business – there are a few defects (known at the go-live decision point) that are priority fixes

- Achievements of note, in quarter 3, include:
 - The Unit4 system is now live for all clients.
 - Cashless/Paperless strategy- a review of requirements is underway.

7. Implications of the Recommendations

7.1 Legal Implications

7.7.1 The Shared Services Administrative Agreement sets out the overall arrangements in relation to the manner in which the sharing Authorities will work together.

Individual Shared Service Agreements require that Business Plans are regularly refreshed to ensure that they continue to meet the needs of both authorities going forward and that performance is reported on a regular basis.

Operationally, this is managed on a day-to-day basis by the service managers and their line managers within each Council as part of the operation and management of each of the services. Additionally, each service has client managers in place who are also consulted in the development and monitoring of business plans.

7.7.2 Finance Implications

7.1.1 The Financial Implications are set out in main body of the report.

7.2 Policy Implications

7.2.1 There are no direct Policy implications

7.3 Equality Implications

7.3.1 There are no direct Equality implications

7.4 Human Resources Implications

7.4.1 There are no direct Human Resources implications

7.5 Risk Management Implications

7.5.1 Risks are managed by the commissioning client, and service managers within each Council, as part of the operation and management of each of the services. Risks are included in each organisations risk register as appropriate.

7.6 Rural Communities Implications

7.6.1 There are no direct implications for Rural Communities.

7.7 Implications for Children & Young People/Cared for Children

7.7.1 There are no direct implications for Children and Young People/Cared for Children.

7.8 Public Health Implications

7.8.1 There are no direct implications for Public Health.

7.9 Climate Change Implications

7.9.1 There are no direct Climate Change implications.

7.10 Ward Members Affected

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

8. Access to Information

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

9. Contact Information

9.1 Any questions relating to this report should be directed to the following officers:

Name: Heather Grove
Email: heather.grove@cheshireeast.gov.uk

Name: Claire Jones
Email: claire.jones@cheshirewestandchester.gov.uk

Overall Shared Services Dashboard

Service	Overall Rating	Forecast Outturn	Priorities and Objectives					KPIs					Number of risks	Number of issues
			Total	Green	Amber	Red	Blue	Total	Green	Amber	Red	Blue		
APAS	Green	Balanced	5	5	0	0	0	5	4	0	0	1	0	0
Archives & LS	Green	Balanced	6	6	0	0	0	6	4	1	0	1	0	0
CRTA	Green	Balanced	3	3	0	0	0	3	0	0	0	0	0	0
Emergency Plan	Amber	£1,697	8	7	0	0	1	5	4	0	0	1	3	3
Farms Estate Man	Green	(£69,342)	2	2	0	0	0	10	10	0	0	0	1	0
ICT	Amber	£1.61m	23	17	5	1	0	3	3	0	0	0	1	1
Libraries SS	Green	Balanced	9	9	0	0	0	11	10	0	0	1	0	0
Transactional Serv	Amber	£585k	7	4	3	0	0	3	3	0	0	0	3	0

**INDIVIDUAL SERVICE
BUSINESS PLANS
QUARTER 3 REVIEW**

SERVICE DETAILS

Service Name	Archaeology Planning Advisory Service
Service Manager	Mark Leah
Client Managers	Ian Hesketh (CWAC), Ian Dale (CE)

BUDGET SUMMARY

	Total Planned Budget £	End of year forecast Q1 £	Q1 Variance (+ or -) £ and %	End of year forecast Mid-year £	Mid -year Variance (+ or -) £ and %	End of year forecast Q3 £	Q3 Variance (+ or -) £ and %	End of Year Outturn £	End of year Variance (+ or -) £ and %
Service Budget	158,817 (annual)					158,817 (annual)			
Comments						A balanced budget is forecast for the year			

See appendix A for the budget detail.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	£	Notes
Permanent	4.3	0	4.3		
Total	4.3	0	4.3		

A Staffing Structure is in appendix B.

KEY PRIORITIES AND OBJECTIVES

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	To develop, maintain and manage a comprehensive public information resource – the Cheshire Historic Environment Record (HER) in accordance with national standards and benchmarks, to inform all policy and development planning decisions and for the better understanding and enjoyment of the historic environment by all.	31.3.22 and recurring at end of financial year					In 2020-21 the HER was subject to external audit to ensure compliance with national standards. The formal report was received from Historic England and no major issues identified. In order to maintain and enhance the utility of the Record, APAS continues to digitise discrete elements. The 'grey literature' library (reports generated by fieldwork) has now been completed and the hard copy reports dispatched to Deep Store in Winsford for storage. In the first three quarters of the current year, other discrete elements have been tackled (Longley archive, North West Wetlands archive, North Cheshire Stone Heads archive, etc). However, total digitisation is beyond our current resources and capacity and will require corporate support (a report has been compiled documenting and quantifying the issue).
2	Respond efficiently to general enquiries to the Cheshire Historic Environment Record	31.3.22 and recurring at end of financial year					See below PM2.1 and 3.1

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
3	To advise on development by statutory undertakers and environmental management schemes.	31.3.22 and recurring at end of financial year					APAS continues to be heavily involved in HS2A and HS2B and continues to attend briefings on the progress of the project, most recently (December) a sector-wide update on the progress of heritage issues on section 2A. APAS also receives monthly updates from the HS2A heritage lead. Fieldwork on some of the early stage services diversion work began in December and has involved the investigation of a number of sites.
4	To advise on the archaeological implications of development, in line with national guidance, from pre-determination to post-determination, including the prospective impacts of minerals, waste disposal, highways, and other infrastructure proposals on the archaeological resource.	31.3.22 and recurring at end of financial year					APAS continues to advise on the implications of the whole range of developments in the partner authorities. In CWAC, the Northgate scheme has continued to be the major scheme with the focus moving to post-excavation assessment in 2021-22. In CEC, the preparation, implementation, and reporting with regard to programmes of archaeological mitigation on road schemes continues to be a major theme. In addition, work in Middlewich on new water supply infrastructure works was completed in September and uncovered further important evidence relating to the Roman period and the salt production industry. This is likely to lead to the production of an important report.

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
5	Develop and apply initiatives to drive continuous improvement in operations to enable clients to achieve their outcomes thereby increasing customer satisfaction and providing value for money	31.3.22 and recurring at end of financial year					APAS continues to push for the prompt publication of important archaeological work in the area. A report on excavations in Chester was published in December in the Archaeopress series and the report on the Seven Lows barrow excavation will appear in early January in the journal of the Chester Archaeological Society. A number of other projects continue to work their way through the post-excavation and publication process (Bunbury, Saighton Camp, Chester Leadworks).

KEY PERFORMANCE INDICATORS (KPI)

NO	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1.1	% number of records reviewed in the Cheshire Historic Environment Record per annum	Suspended due to Covid 19	5%					This continues to be on hold at present in view of the Covid 19 epidemic and the requirement for home working which means that records contained in the HER cannot be reviewed on a regular basis. Work will resume when circumstances allow.

NO	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
2.1	% of general inquiries to the Cheshire Historic Environment Record responded to within 15 working days per annum	Achieved (despite being technically suspended due to Covid 19)	90% response within 15 days target					A message has been placed on the APAS website advising that this target has been suspended during the Covid 19 in order to allow the team greater flexibility to deal with core planning work whilst home working (with consequent reduced IT functionality). In fact the team has maintained the standard with a response rate within 15 working days but this approach provides valuable and necessary flexibility in the current circumstances.
3.1	Respond to 100% of Countryside Stewardship inquiries to the Cheshire Historic Environment Record within 20 working days (as required by the National Service Standard) each year	Achieved	100% response within 15 days target					Outcome was fully achieved in the first quarter (April to June) and this project is now complete for the current financial year.

NO	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
4.1	% of archaeological development management advice to the partner authorities (Cheshire West and Chester Council, Cheshire East Council, Warrington Borough Council, Halton Borough Council) responded to within 15 working days per annum	Achieved	100% response within 15 days target					This outcome has been fully achieved in this third quarter.
5.1	Delivery of annual APAS Report	Achieved	Annual report delivered by end of April 2022					Performance statistics continue to be recorded in order to allow the timely compilation of the annual report at year end.

KEY RISKS

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
	none					

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
	none			

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	Mark Leah	Development Management Archaeologist and Team Leader (APAS)	14.12.21
Client Manager CEC	Ian Dale	Manager, Heritage and Design	23.12.21
Client Manager CW&C	Ian Hesketh	Manager, Total Environment	14.12.21
Head of Service/Director	Gemma Davies	Director – Economy, Housing & Planning (CW&C)	

ANNUAL PLANNED BUDGET DETAIL (2021-24)

EXPENDITURE	ITEM	Total 21/22 £	% change from previous year
	CW&C Clerical	182,895	0%
	Travel Budgets	4,570	0%
	Office Equipment, Public, Printing, Telephones	2,930	0%
	Hired and Contracted Services	7,500	0%
	Computer Equipment and Software	12,028	0%
	Professional Fees	62,293	0%
INCOME	ITEM	£	% change from previous year
	Shared Service re-charge	-93,140	0%
	Joint Arrangements-Warrington	-12,250	0%
	Joint Arrangements-Halton	-8,309	0%
NET BUDGET		£	
		158,817	0%

Staffing Structure

ARCHAEOLOGY PLANNING ADVISORY SERVICE (APAS)

Total Environment Manager
0.3 FTE Grade 12

Total Environment Team Leader
(Archaeology Planning Advisory Service)

1 x FTE Grade 10

**Development Planning
Archaeology Officer**

1 x FTE Grade 8

**Historic Environment
Record Officer**

1 x FTE Grade 8

**Historic Environment
Record Officer**

0.6 x FTE Grade 8

**Historic Environment
Record officer**

0.4 x FTE Grade 8

SERVICE DETAILS

Service Name	Archives and Local Studies
Service Manager	Paul Newman
Client Managers	Rachel Foster (CWaC)/Helen Paton (CEC)

BUDGET SUMMARY

	Total Planned Budget £	End of year forecast Q1 £	Q1 Variance (+ or -) £ and %	End of year forecast Mid-year £	Mid -year Variance (+ or -) £ and %	End of year forecast Q3 £	Q3 Variance (+ or -) £ and %	End of Year Outturn £	End of year Variance (+ or -) £ and %
Service Budget	461,602	461,602	0	461,602	0	461,602	0		
Comments									

See appendix A for the budget detail.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	£	Notes
Total	16.04	0	16.04	602,946	

NB. This is for the current year (21/22) and will be updated annually

A Staffing Structure is in appendix B

KEY PRIORITIES AND OBJECTIVES

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	<p>Fulfill the statutory duty of Councils under the 1972 Local Government Act to make proper provision for the archives in their care</p> <ul style="list-style-type: none"> • Continue to receive Council records which are required to be preserved permanently • Finalise solution with resources requirements for long term digital storage of and access to corporate memory • Successfully re-accredited by The National Archives 	Ongoing					Re-application to Archives Accreditation Scheme 30 Nov 2021. Will hear outcome by end March 2022.
2	<p>Meet the needs of residents and businesses and deliver services at a local level: provide a high quality onsite service for researchers and volunteers; support community history projects and activities and deliver services through libraries; ensure collections are made easily accessible</p> <ul style="list-style-type: none"> • Training programme for library staff in CEC and CWaC • Reopen searchroom service as Covid pandemic allows • Provide remote research, enquiry and digitisation service • Develop remote volunteer programme and restart onsite volunteer programme 	Ongoing					<p>Onsite volunteer programme restarted July 2021.</p> <p>Online training embedded within library staff training programme</p> <p>Collections improvement plan in place to direct collections management/conservation priorities (photographs, railway records, ensuring new accessions made available within one month of receipt). See KPI 5 for comment on processing new collections.</p>

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
3	<p>Continue to develop project to secure new premises for the service and new ways of delivering services to bring the collections closer to more people</p> <ul style="list-style-type: none"> • Mid point review of National Lottery Heritage Fund project due Dec 2021 • Funding bid to be submitted Aug 2022 (decision due December 2022) 	Spring 2027					<p>Delivery of project contingent on securing delivery phase funding. This would enable the delivery phase of the project to begin in Q1 2023, with proposed new centres open end 2024, with externally-funded outreach programme continuing until Mar 2027. Recent discussions with NLHF have pushed back the submission date.</p> <p>Mid point review passed Dec 2021.</p>
4	<p>Work with partners to secure income for the service and improve access to collections through digitisation</p> <ul style="list-style-type: none"> • Begin new digitisation programme with commercial partner, for phased launch Autumn 2022-Spring 2023 • Renew contract with existing commercial partner Oct 2021 	Oct 2021, Spring 2023					<p>New digitisation programme underway.</p> <p>Contract renewed with existing partner May 2021</p>
5	<p>Ensuring excellence in service delivery through securing the Archives Accreditation standard</p> <ul style="list-style-type: none"> • Re-application by Nov 2021 	Nov 2021					Confirmation of accreditation expected March 2022

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
6	<p>Continue to be innovative in extending and improving access to its services, in consultation with communities: developing online services and digital means of engagement; new events piloted and evaluated</p> <ul style="list-style-type: none"> • Complete digital strategy for service to identify priorities and resources/skills requirements • Community engagement programme undertaken 	Ongoing					<p>New events piloted Summer/Autumn 2021</p> <p>Extensive community engagement undertaken Spring-Autumn 2021. Feedback from NLHF has been very positive about the extent and nature of this.</p>

KEY PERFORMANCE INDICATORS (KPI)

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1	Quality of service: rating of 9.5/10 or above in survey of visitors	9.5 (2019/20)	9.5					National survey of visitors to archives now unlikely to be held in 21/22.
2	Pass NLHF Mid Point Review	N/A	Pass					Review passed Dec 2021 – awaiting feedback from NLHF
3	Reaccreditation achieved	Maintained	Pass					Due March 2022
4	Levels of engagement with service	2.384 million	2 million	0.606 million	1.076 million	1.564 million		Includes digital engagement, enquiry count, onsite visitors
5	Percentage of new collections of archives made accessible to service users within 1 month of receipt	95%	85%	100%	92%	71%		Number of accessions received in 2021/22 are higher than in an average year, following a low number of accessions in 2020/21. Plan in place to process this backlog by end March 2022.
Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
6	Percentage of volunteers who would recommend volunteering with service to a friend	NEW	80% To be measured annually					A survey of volunteers in spring 2021 established baseline that 81% would 'strongly recommend' volunteering with the service.

KEY RISKS

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
	none					

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
	none			

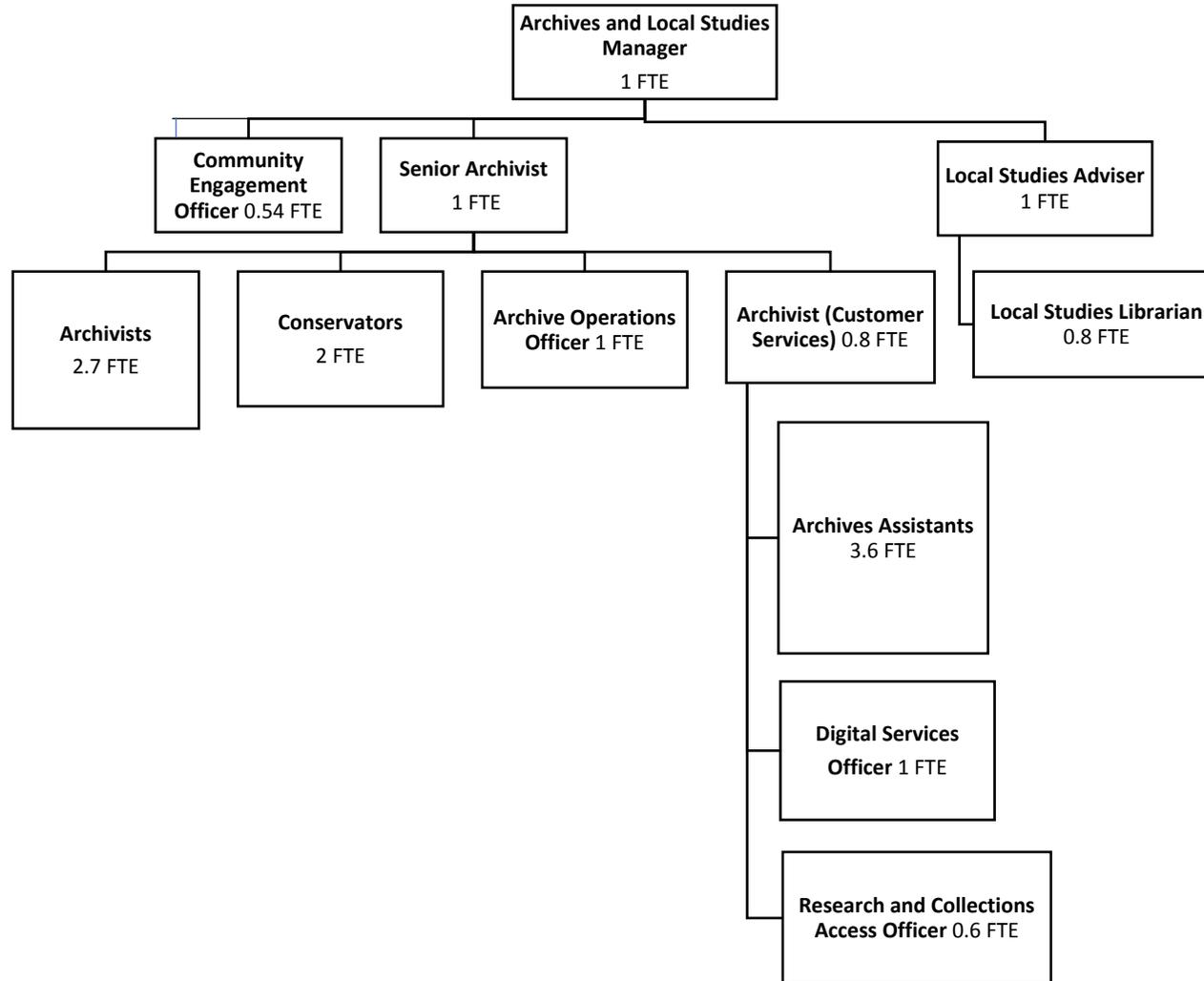
APPROVAL

Approval	Name		Job title	Date Agreed
Service Manager	Paul Newman		Archives and Local Studies Manager	21/12/2021
Client Manager CEC	Helen Paton		Cultural Economy Manager	
Client Manager CW&C	Rachel Foster		Head of Communities, Culture and Libraries	
Head of Service/Director	Rachel Foster		Head of Communities, Culture and Libraries	

Budget Detail

EXPENDITURE	ITEM	Total 21/22 £	% change from previous year
	Staffing	602,946	0
	Premises	61,640	0
	Transport	2,050	0
	Supplies and services	40,349	0
	GROSS COSTS	706,985	0
INCOME	ITEM	£	% change from previous year
	Joint arrangements - SLA (Warrington BC and Halton BC)	155,181	0
	Royalties - via agreement with commercial partner, Find My Past	56,202	0
	Fees and charges - e.g. for research, conservation work, certification	19,500	0
	Sales - copies from collection	14,500	0
	INCOME	245,383	0
NET BUDGET		£	% change from previous year
		461,602	0

Staffing Structure



SERVICE DETAILS

Service Name	Cheshire Rural Touring Arts (CRTA)
Service Manager	Jen Henry
Client Managers	Carmel Clapson CWAC Helen Paton CE

BUDGET SUMMARY – For Year 2021/22 to be updated annually and via quarterly reporting

	Total Planned Budget £	Q1 Forecast £	Q1 Variance (+ or -) %	Mid Year Forecast £	Mid Year Variance (+ or -) %	Q3 Actual spend £	Q3 Variance (+ or -) %	End of Year Actual Spend £	End of year Variance (+ or -) £
Service Budget	84,000	84,000	0	84,000	0	84,000	0		
Comments	All future budgets will be determined on a yearly basis. CRTA has NPO funding from Arts council until March 2022. An extension year funding bid for 22-23 is being sent to ACE in Sept 21 (result known in Jan 22) NPO funding bid and detailed planning for 23-25 will begin at the end of 2021								

The budget detail is in appendix 1.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	£	Notes
Scheme manager	0.5		0.5	21,651.50	
Scheme manager	0.5		0.5	21,651.50	
Administrator	0.4		0.4	12,897.86	
Total	1.4		1.4	56,200.86	Salary figures for 2021+ are tbc with finance (yearly increases in on costs need to be known and budgeted for)

A Staffing Structure is in appendix 2.

KEY PRIORITIES AND OBJECTIVES 21/22

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	Risk and Resilience: Manage risk and respond to challenges to our business and programming practice and changing landscape due to COVID-19.	31/03/2022		4	4		<p>Financial mangment, activty planning and community support is being ammended and actioned as we progress through this quarter and respond to the ever changing landscape.</p> <p>We are revising all CRTA activity in response to the new landscape of arts delivery due to the effects of C19. We will be revising our buisness planing for Arts Council England in 2021 , to implement in 21/22 and beyond. The impact of COVID on the arts will be felt for many years, in terms of funding, artists available and audience and volunteer confidence to return to live events. We will be able to plan further for 2022-2025 once we know the outcome of an ACE NPO application for core funding for the CRTA for 2022-2025, the result of which is expected in early 2022.</p>

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
2	The CRTA will support artists, venues and promoters communities to rebuild a programme of live events in rural communities in Cheshire.	31/03/22		4	4		<p>Live events have been programmed and took place from August-Dec 21</p> <p>As we reopen our venues to live events in 21/22, our priorities will be to help our venues and volunteers as they host live events and look to build up their audiences again. We will work with artists and companies to ensure there is confidence in touring work again into rural communities. We are programming for spring 2022, but have less venues able to take work due to volunteer availability, venue closure and concern over covid 19 restrictions. We are working with all venues to help support them to plan ahead for hosting events in 2022.</p>
3	Bid to Arts Council England for National Portfolio core funding for 2022-2025			4	4		<p>An extension year bid has been submitted in Sept for funding for 22/23. The NPO bid, for funding 2023-2025 will go into ACE later this year or early next year (exact dates for submission tbc by ACE)</p> <p>The bid was submitted in October with the result known in early-mid 2022.</p>

KEY PERFORMANCE INDICATORS (KPI)

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1.1	CRTA finances are regularly monitored and reported to our partners and ACE. Any suitable fundraising streams are explored and applied to when necessary.				4	4		<p>Finances are monitored and reported. A review meeting with the CWAC finance officer at CWAC is due to take place in Sept.</p> <p>CRTA finances are monitored and reported on quarterly for Arts Council England , CWAC finance admin and for shared services.</p> <p>Extension year funding for 22/23 has been applied for (Sept 21) from ACE. The next round of NPO funding for 23-25 will be open for applications early 2022, CRTA are currently planning our bid strategy.</p>
1.2	CRTA is able to programme quality , diverse and engaging artistic activity during the year.				4	4		<p>Shows have taken place in the autumn season. Performances began in September. Planning for Spring/Summer 22 is also underway We will explore a range of live programmes and work with promoters to programme and promote the work. We will continue to explore digital and alternative performance and engagement activity that we trialed and learn from during the closure of our live events in 2020/21.</p>

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
2.1	Promoters are supported and are able to continue with CRTA as they wish. If we have spare venue capacity we will also look at engaging new venues/volunteer promoters.				4	4		<p>We have been working with our promoters to support them to open up venues and begin showing live events. This is a gradual process with some venues needing more time before they open.</p> <p>Support to promoters is bespoke depending on their needs.</p> <p>Some promoters may not return to CRTA in 22 after closure of their venues, lack of volunteers or lack of activity during lockdown. We may need to explore new venues and bring in new promoters in 2022 – 2025. We already have a model on how we would approach this, having CRTA for nearly 20 years and any new venues would be in response to the volunteers interest, geographic spread of venues and funding requirements at the time of recruitment. We will also support existing promoters as they rebuild their venues audiences and seek to find new ones.</p>

KEY RISKS (taken from the shared services risk log and score 9 or above)

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
	None	n/a	n/a	n/a		

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
	None			

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	Jen Henry	Rural Arts Officer (job share)	
Client Manager CEC	Helen Paton	Cultural Economy Manager	
Client Manager CW&C	Carmel Clapson	Cultural Strategy Development Officer	Sent for approval 13/12/21
Head of Service/Director	Rachel Foster	Head of Communities, Culture and Libraries	

PLANNED BUDGET DETAIL 21/22

Further budgets will be added annually. A 3 year indicative budget for 2022-25 will be available when we know the result of our NPO funding bid from ACE in 2022.

EXPENDITURE	ITEM	Total 21/22 £	% change from previous year
	Salaries	£56,000.00	+5.6% (due to additional on costs now accounted for in our budget as of end of 20/21 year)
	Artists fees core network (activity and development)	£15,500	No change
	Printing and distribution	£5000	+1566%
	Subscriptions (Nrtf)	£535.00	No change
	Training for staff/promoters	£1000	+100%
	Website/digital dev	£2,000.00	No change
	Promoter go and see fund	£500	+100%
	Office costs(phone/postage)	£200	+100%
	Mileage	£3000	+200%
	Total exp	£83,735.00	
INCOME	ITEM	£	% change from previous year
	ACE	£44,503	No change
	Local authority	£24,800	No change
	Box office income	£ 8000	+900%
	Other grants and General Contributions	£1000	-95%
	Income from partnership projects	£500	+100%
	Private donations/sponsorship/income to find	£4000	+100%
	Carry over core and cultural recovery funds for programme delivery to 21/22	£9000	n/a new line
	Total income	£83,803	
NET BUDGET		£68	0% change from previous year

Staffing Structure

CRTA staff – Jen Henry and Anne Crabtree (jobshare each 0.5)

Maria Owen – CRTA administrator (0.4)

All report to Carmel Clapson CWAC

SERVICE DETAILS

Service Name	Joint Cheshire Emergency Planning Team (JCEPT)
Service Manager	Chris Samuel
Client Managers	Vanessa Whiting (CWAC)/ Paul Bayley (CE)

BUDGET SUMMARY

	Total Planned Budget £	End of year forecast Q1 £	Q1 Variance (+ or -) £ and %	End of year forecast Mid-year £	Mid -year Variance (+ or -) £ and %	End of year forecast Q3 £	Q3 Variance (+ or -) £ and %	End of Year Outturn £	End of year Variance (+ or -) £ and %
Service Budget	304,971	302,522	-1,194 0%	307,198	2,227 1%	306,668	+1,697 1%		
Comments									

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See appendix A for the budget detail.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	£	Notes
	7	3	4	£355,901	Staffing at end of Q3 is 7 FTE.
Total	7	3	4	£355,901	

A Staffing Structure is in appendix B

OFFICIAL

KEY PRIORITIES AND OBJECTIVES

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	Continue implementation of the Emergency Management Training & Exercise Programme.	31/03/2022					Training continues to take place virtually for those managers who need refreshers, or are new to rota.
2	Continue implementation of the off-site planning and exercise regime to ensure that both authorities meet their statutory emergency planning obligations under the COMAH, REPPiR, PSR, and Flood & Water Management legislation.	31/03/2022					<ul style="list-style-type: none"> PSR (Pipelines) area specific and generic plan reviews are outside timescales - work ongoing to resolve. 1 COMAH exercise is overdue due to C-19 impacts; work continues to resolve and HSE are content with progress. All other COMAH and REPPiR plans were within agreed ONR & HSE timescales as at end of Q3.
3	Ensure relevant On-Site and Off-Site Response Plans for CWAC and CE Reservoirs (as per Flood & Water Management Act, 2010) are revised and tested.	31/03/2022					Poynton Pool On Site Plan out for consultation with partners in Q3.
4	Increase community resilience and emergency preparedness levels by continuing the implementation of medium and long-term projects.	31/03/2022					Chester CT Project – ongoing post-completion issues being worked on; Community Resilience work continues post flooding (Jan 2021) and Storm Arwen (Dec 2021) – several TPCs interested in developing Community Emergency Plans.

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
5	Increase levels of emergency preparedness across both authorities generally.	31/03/2022					Levels of generic preparedness in both Councils are at a high level with the response to, and recovery from, the ongoing C-19 pandemic increasing our resilience to future incidents. A number of work-streams are on hold due to capacity issues caused by C-19 and other priority work-streams.
6	Undertake and participate in appropriate incident debriefs internally and at a multi-agency level for Major Incidents in CWAC and CE.	31/03/2022					Continuing to take work forward linked to the multi-agency and Council (CWaC) debriefs for January 2021 floods.
7	Continue participation in and co-ordination of Cheshire Resilience Forum (CRF) projects, planning, training and exercises.	31/03/2022					CRF Management Group continues to monitor and implement work, training and exercise programmes to ensure High Risk hazards are mitigated and planned for. Recruitment of temporary staffing resources for CRF underway.
8	Develop and apply initiatives to drive continuous improvement in operations to enable clients to achieve their outcomes thereby increasing customer satisfaction and providing value for money.	31/03/2022					The main objective this year is embedding the use of Resilience Direct mapping within Service.

KEY PERFORMANCE INDICATORS (KPI)

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1	Overall delegate satisfaction with training events provided, i.e. Very Good, Good or Satisfactory.	100%	100%	99%	99%	99%		Continued excellent feedback received on training courses.
2	All CEC Senior Managers (M5 and above) have attended an Emergency Management Workshop within last 24 months.	96%	100%	96%	96%	98%		Training continues to take place virtually for those managers who need refreshers, or are new to rota.
3	All CWAC Senior Managers (Tiers 1 to 4) have attended an Emergency Management Workshop within the last 24 months.	88.8%	100%	91%	91%	81%		
4	Statutory plans and exercises delivered within agreed timescales	76%	100%	88%	92%	98%		See narrative above.
5	Major Incidents/ Major Incident Standbys responded to by Duty Emergency Planning Officer within appropriate timescales.	100%	100%	100%	100%	100%		Between 01/04/2021 and 13/12/2021 the Service has responded to 18 incidents (CWAC: 11; CE: 7) including 2 Major Incidents and 7 Major Incident Standbys including the Major Incident for the C-19 pandemic impacting both Council areas, as well as a bird flu outbreak, power outages caused by Storm Arwen, local responses to the CT incident in Liverpool, and implementation of enhanced CT security arrangements in Chester. The Service continues to provide a high level of support and advice to both Councils' pandemic command structures, and at the multi-agency level – this will likely continue for the remainder of 2021.

KEY RISKS

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
1	Failure to deliver agreed objectives as a result of team responding to a medium to long-term major incident, e.g. influenza pandemic.	9	9	9		Consequence of ongoing C-19 pandemic response and recovery efforts. Ratings will likely stay steady for these risks as the year progresses with the team continuing to be involved in C-19 pandemic work-streams long-term. Capacity risks for the team would increase should we see a major surge in pandemic response combined with concurrent incidents; mitigation would be through requests for redeployed staff from both Councils and re-prioritising of objectives.
2	Failure to deliver agreed objectives as a result of team responding to significant number of Major Incidents/ Major Incident Standbys throughout year.	9	9	9		
3	Statutory requirements of COMAH, REPPiR and PSR legislation. Failure to meet those duties in line with the statutory deadlines could lead to: improvement notices or civil action, impact on the community and/ or the environment due to off-site emergency plans being unfit for purpose or untested, damage to reputation of CWaC and CE, and loss of public/partner confidence.	9	9	9		<ul style="list-style-type: none"> • HSE (regulatory body) were updated at start of pandemic regards impacts on statutory plans and exercises, and suggested way forward. • Further update regards mitigating actions to be taken were issued to HSE during Q1 (2021-22) as an increased number of plans and exercises were out of timescales due to the pandemic. • Situation continues to improve. • Annual review meeting was held with HSE and EA on 04/10 - content with progress.

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
1	Failure to deliver agreed objectives as a result of team responding to a medium to long-term major incident, e.g. influenza pandemic.	01 April 2020	Ongoing	The team's ongoing involvement in the C-19 pandemic has continued to have a significant impact on the team's capacity to deliver the agreed objectives in the business plan for 2021-2. This is likely to continue and the Team Manager will prioritise those objectives that are (a) statutory, (b) related to High Risk hazards, (c) related to income/ cost recovery and (d) have the greatest impact on the Councils' capability, preparedness for and resilience to future incidents. The Team Manager has made the HSE (regulatory body) aware of our plan to bring statutory plans and exercises back within agreed timescales. Growth proposals, briefed on at Q1, have been explored with both Councils but will not be taken forward on this occasion.
2	Failure to deliver agreed objectives as a result of team responding to significant number of Major Incidents/ Major Incident Standbys throughout year.	01 April 2020	Ongoing	
3	Statutory requirements of COMAH, REPPiR and PSR legislation. Failure to meet those duties in line with the statutory deadlines could lead to: improvement notices or civil action, impact on the community and/ or the environment due to off-site emergency plans being unfit for purpose or untested, damage to reputation of CWaC and CE, and loss of public/partner confidence.	01 April 2020	Ongoing	See risk narrative above; improving situation.

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	Chris Samuel	Senior Manager – Emergency Planning	13/12/2021
Client Manager CEC	Paul Bayley	(Director, Environment and Neighbourhood Services, Cheshire East Council)	16/12/2021
Client Manager CW&C	Vanessa Whiting	Director, Governance, Cheshire West and Chester Council)	16/12/2021
Head of Service/Director	Vanessa Whiting	Director, Governance, Cheshire West and Chester Council)	16/12/2021

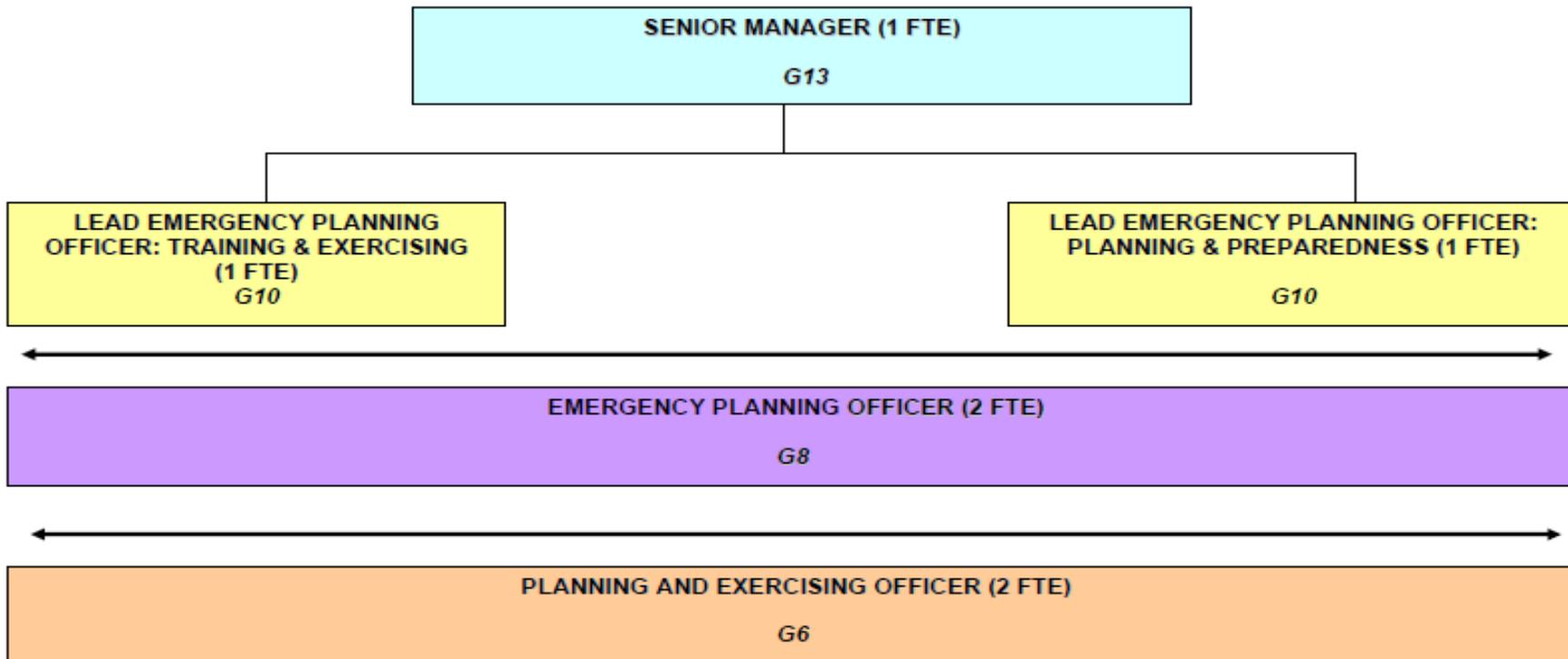
Budget Detail

EXPENDITURE	ITEM	Total 21/22 £	% change from previous year
	Salaries	357,156	1.5%
	Training	3,178	-32.1%
	Transport	11,884	-9.72%
	Supplies & Services	24,450	0%
	3rd party agency costs for exercises	20,000	0%
	Accomodation - Cheshire East only	6,425	0%
INCOME	ITEM	£	% change from previous year
	Annual COMAH and REPIR Charge	-98,122	4.3%
	Reimbursements for 3rd party agency costs	-20,000	0%
NET BUDGET		£	% change from previous year
		304,971	2.9%

Staffing Structure



JOINT CHESHIRE EMERGENCY PLANNING TEAM



(07/09/2021)

SERVICE DETAILS

Service Name	Cheshire Farms (Management Costs)
Service Manager	David Job
Client Managers	Andy Kehoe (CEBC) & Laura Dutton (CW&CBC)

BUDGET SUMMARY

	Total Planned Budget £	End of year forecast Q1 £	Q1 Variance (+ or -) %	End of year forecast Mid-year £	Mid -year Variance (+ or -) %	End of year forecast Q3 £	Q3 Variance (+ or -) %	End of Year Outturn £	End of year Variance (+ or -) £
Service Budget	£226,674	£162,720	-£63,218	£157,063	-£68,875	£157,332	-£69,342		
Comments	CWAC Budget £98,711 (same as 20/21) CEBC budget £127,963	Underspend linked to retained vacant post		Underspend linked to retained vacant post		Underspend linked to retained vacant post			

Full budget details are in appendix 1.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	Forecast £	Notes
Permanent (Assistant Land Agent & Business Support Officer)	1.6	1.6		62,623	Total Salary Budget £211,988 East Budget £ 113,277 West Budget £ 98,711
Secondment County Land Agent & Clerical Officer)	1.7		1.7	92,242	Seconded west to east
Total	3.3	1.6	1.7	154,865	

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KEY PRIORITIES AND OBJECTIVES

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	Both Authorities - Provide effective and efficient property management function for the farms estate and other rural property	Continuous					Cheshire Farms is contributing to the delivery of the wider 'climate emergency action plans' alongside the delivery of the core business of the farms services.
2	Develop and apply initiatives to drive continuous improvement in operations to enable clients to achieve their outcomes thereby increasing customer satisfaction and providing value for money.	Continuous					Efforts have been focussed on reviewing recent lettings and surveying customer experiences to ensure that prospective customers are served appropriately.

KEY PERFORMANCE INDICATORS (KPI)

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
Cheshire West & Chester BC								
1	Regular Reporting / Good Financial management		Monthly reporting					ERP reporting / forecasting system implemented
2	Completion of Management Policy Review	New	Completion					Review completed and signed off by Cabinet 7 th December 2021.
3	Value of property identified for and/or marketed for disposal.	£1.585m	To be agreed					In excess of £7 million in disposals including completed, approved and potential disposals identified.
4	Planning potential investigations	All disposals	All disposals					On track
Cheshire East BC								
5	Revenue & Capital Budgets - Quarterly reporting cycle	Completed	As and when required					ERP system to be implemented from Jan 2022. In the interim, reporting as requested.
6	Report progress upon estate reorganisation plan	Submitted	End Year submission to CIPFA					On track
7	Value of property identified for and/or marketed for disposal.	£1.55m identified £1.22m marketed.	£1.65m identified and marketed for sale.					£310,000 completed sales £542,750 agreed STC £725,000 identified for potential marketing in year
8	Planning potential investigations	All disposals	All disposals					On track
10	Contribution to the delivery of the Councils carbon management plan	One site identified	Contribute to ongoing evaluations & project adoption.					Peatland restoration project implemented and Carbon Land Use Assessment collaboration ongoing with potential woodland creation land identified.

KEY RISKS (taken from the shared services risk log and score 9 or above)

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
1 (West)	Impact of reducing income as a result of disposals	9	9			

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
	None			

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	David Job	County Land Agent	21/12/2021
Client Manager CEC / Head Of Service	Andy Kehoe	Head of Estates	
Client Manager CW&C	Laura Dutton	Interim Head of Property	

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PLANNED BUDGET DETAIL

EXPENDITURE	ITEM	Total 21/22 £	% change from previous year
	R1000 – Salaries Costs	£ 211,988	+0.04%
	R3400 - Vehicle Allowances	£ 2,510	0
	R4000 – Equipment & Furniture	£ 2,494	0
	R4300 – Office Expenses	£ 1,250	0
	R4520 – Communications & Computing	£ 1,000	0
	R4701 – Grants & Subscriptions	£ 4,590	0
	R4400 – Supplies & Services	£ 2,842	0
	Total Costs	£ 226,674	
INCOME	ITEM	£	0 % change from previous year
	This analysis does not detail the income generated or expenditure incurred through the management of the physical assets which is separately reported and monitored corporately.	0	0
NET BUDGET		£ 226,674	+0.04 % change from previous year

SERVICE DETAILS

Service Name	ICT SERVICES
Service Manager	GARETH PAWLETT
Client Managers	Peter Lloyd / Valda Williams

BUDGET SUMMARY

The business plan has 2 major caveats

- (i) it will need to consider the outcome of the shared services review
- (ii) there will be a need for further work to understand any changes in demand and the subsequent impact on the budget and capacity/resourcing.

	Total Planned Budget £	Q1 Actual Spend £	Q1 Variance (+ or -) % overspend	Mid-Year Actual Spend £	Mid-Year Variance (+ or -) %	Q3 Actual spend £	Q3 Variance (+ or -) %	End of Year Actual Spend £	End of year Variance (+ or -) £
Service Budget	£17.35m – net to nil	£0.49m	£0.49m overspend	£1.61m	£1.61m	£1.61m	£1.61m		
Comments		The draft outturn for 2021-22 is based on 75,000 hours of commissioned projects. Should this not be achieved there will be an increase in the forecasted overspend position. Further clarity is still required on the premise's		The roll over budget for 2021-22 was based on receiving 100,000 of commissioned projects. The draft outturn for 2021-22 is based on 75,000 hours of commissioned projects, a 25% reduction of demand. Should this not be achieved		The roll over budget for 2021-22 was based on receiving 100,000 of commissioned projects. The draft outturn for 2021-22 was originally based on 75,000 hours of commissioned projects			

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		<p>costs and on the expected school's income.</p> <p>Pay award pressures have not yet adjusted for the latest position on the 21-22 pay award.</p> <p>Additional pressure may come from the B4B project. Currently the two councils have allocated provision to cover the pressures in both shared services for a delayed go live 2 to October 2021. Delay beyond this has not yet been accounted for by the councils.</p>	<p>there will be an increase in the forecasted overspend position. The Shared Service has worked hard to mitigate the loss of income as far as possible (by reducing contractor hours etc).</p> <p>However, the extent of the loss of income is such that it has been difficult to offset without impacting BAU services. In addition, there has been cost pressures from contracts. Suppliers are indicating a continued increase in costs in coming months.</p> <p>Savings on premises costs have now been determined. However, savings offset by 2 months of GSH and charges for Nicholas House licences. Schools' income has fallen to £1.2m (vs £1.78m budget). Mitigated by fall in Updata costs.</p>	<p>(including 6,000 hours of unrecoverable B4B work). At this point in the year, it now appears recoverable commissioned hours will be in the region of 62,000 (excluding B4B hours). The Shared Service has worked hard to mitigate the loss of income as far as possible (by reducing contractor hours etc).</p> <p>However, the extent of the loss of income is such that it has been difficult to offset without impacting BAU services. In addition, there has been cost pressures from contracts. Suppliers are indicating a continued increase in costs in coming months.</p> <p>Savings on premises costs have now been determined. However, savings offset by 2 months of GSH and charges for Nicholas House licences.</p>	
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			<p>Pay award pressures and backpay have now been estimated in the latest position.</p> <p>The service has made attempts to recruit to roles on a more permanent basis however has struggled to attract the right candidates which has meant we continue to require agency staff.</p> <p>6000 hours in respect of B4B have not been included in the 75k total project hours. An adjustment of £378k has been made as this is unrecoverable income. Additional pressure may come from the B4B project. Currently the two councils have allocated provision to cover the pressures in both shared services for a delayed go live 2 to October21. Any delay beyond this has not yet been accounted for by the councils.</p>	<p>Schools' income has fallen to £1.2m (vs £1.78m budget). Mitigated by fall in Updata costs.</p> <p>Pay award pressures and backpay have now been estimated in the latest position. Additional pressure has come from the B4B project with actual hours to date being in the region of 8,300 as opposed to the previously forecast 6,000. Budget provision to cover for B4B related costs falling within this overspend has been identified separately by the two councils. A further £167k of the overspend relates to shortfall in growth for the pay award (not yet finalised).</p> <p>In addition, there has been significant hours spent on responding to the Log4J cyber threat which has diverted resources from chargeable projects.</p>	
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			There will be additional pressures on resources for Phase 2 of Shared Services Review. The impact of this currently being estimated as it will involve multiple resources across all areas of ICT Services.		
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The budget detail is in appendix 1.

STAFFING

Type	Q1 Total Number of FTE	Q1 CEC FTE	Q1 CW&C FTE	Q1 £	MYR Q2 Total Number of FTE	MYR Q2 CEC FTE	MYR Q2 CW&C FTE	MYR Q2 £	£ Change	Notes
Permanent	122.29	122.29	-	8,260,141	121.36	121.36	-	8,336,642	76,501	There has been an increase in forecast payroll costs due to planned converts from agency. This has been mitigated by a 3.0 FTE of 'employed' leavers. A 'buffer' still included for recruitment to vacancies.
Fixed Term Contract	18.40	18.40	-		17.81	17.81	-		-	
Secondment*	10.61	10.61	-		8.75	8.75	-		-	
Agency	54.00	54.00	-	3,678,824	49.00	49.00	-	2,947,559	-731,265	Decrease in agency due to conversions to permanent forecast. Significant reduction in Bloom spend from Q1 position. 5 contractors left end of September the benefit of reduction in spend will be realised in future months.
Total	205.30	205.30	-	11,938,965	196.92	196.92	-	11,284,201	654,764	

*Staff who have a status of secondment are occupying roles other than their substantive but both roles are within the Shared Service i.e. there are no staff seconded in or out of the department. There are no staff seconded to the B4B programme. All work for B4B takes place within the department and is time recorded as business change. This work normally contributes towards an income target but is classed as unrecoverable in this instance.

A Staffing Structure is in appendix 2.

KEY PRIORITIES AND OBJECTIVES

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	Continuous Improvement – delivery of a jointly agreed service improvement plan based on the following key themes: New Business, Delivery on commitments, New metrics (security and compliance), User experience, Process improvement and Operational Strategy; and an associated Performance Management Framework (PMF).						
1	Service Improvement Plan (SIP) to drive continuous improvement in operations	31/03/2022					<p>Revised SIP for 21/22 in place and agreed with both Councils. Themes listed below.</p> <ol style="list-style-type: none"> 1. Produce a fully costed and prioritised SIP. 2. Self-Serve and Self-Help implementation and communications plan. 3. Renewed approach to Agile commissioning and management of projects. 4. Improved Reporting and dashboards 5. Self-service password reset facility 6. AI/Chatbot responses embedded within Halo. 7. Create a customer experience focus group 8. Customer Satisfaction Survey 9. Review effectiveness of performance reporting, produce lessons learnt and produce updated SIP for 2021-22 <p>Some slippage of dates to be agreed with Clients due to resource availability</p>
2	Customer Satisfaction Survey	31/10/2021					<p>Not applicable for Q1.</p> <p>This will now be run in January 2022 due to competing priorities and other campaigns across both authorities, e.g. Unit 4 ERP GL2</p> <p>CWaC will be run in January, CEC in March.</p>

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
3	Implement changes to Performance Management Framework (PMF)	31/03/2022					A new revised PMF is in place for 21/22. A review was scheduled for September for some metrics where targets had been reduced at the beginning of the year, however this review will now take place in November and feed into any wider revisions to the PMF during Q4 or for 2022-23.
4	Implementing the recommendations of the shared services strategic review	Tbd					Further due diligence on the review recommendations.
2	Culture - To ensure all senior managers are highly visible and consistently display the positive behaviours of the council. To ensure all staff have the skills, support and frameworks to enable them to be successful and to deliver effective services. To ensure the service embraces change and champions the Brighter Futures cultural standards, values and behaviours that employees of CEC strive to achieve which will be beneficial to our shared service partners.						
1	Extended Leadership Programme initiatives driving cultural and operational change						There is a current focus on the development of Product Management, Agile (to cover both business as usual and change delivery) and Value Proposition work which consolidates and supercedes the initial five initiatives we had last year.
2	Support Champion Networks in both Councils – to improve staff engagement, innovation and visibility	31/03/2022					Continued high level of engagement across the Service – Brighter Future Champions Network, Bright Sparks, Workplace Recovery and Transformation. Content shared with Technical champions in CWaC.
3	Undertake a Skills Audit of the service to ensure the organisation has the right skills and capabilities now and for the future (including talent management)	30/09/2021					Not applicable for Q1 Will be picked up as part of due diligence activity for ICT Review Specification

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
4	Undertake roadshows and workshops in both Councils – to improve visibility and awareness of ICT across the Councils	31/03/2022					Regular bitesize sessions scheduled monthly and advertised on Centranet. Weekly sessions for Bright Sparks. Specific training/drop in sessions arranged and successfully delivered for major change activity, e.g. InTune, MFA, Teams PBX Telephony. Content shared with Technical champions in CWaC.
5	Develop strong relationships with both Councils their ICT Client teams and the wider business						Monthly JSIB, JBDA, JSB, service and change delivery reviews with client teams. BRMs also work closely with client team in relation to major service change and service escalations.
6	Ensure all staff have access to PDRs, 1-2-1s and Team Meetings	31/03/2022					Monitored by ELT and SMT – 2021-22 PDR objective setting. Scheduling of mid-year conversations.
3	Strategy and Design - To explore strategic partnerships and promote how ICT can be utilised effectively and efficiently as an enabler in the delivery of the Councils and other customers business objectives. To define the technical architecture and roadmaps to support Council business objectives.						
1	Refresh of Strategic Roadmaps (Infrastructure / Applications) to improve business planning processes and product support.	30/06/2021					Business cases drafted reflecting on the work achieved through Evolution and ongoing Essential Replacement programmes. Additional items identified for Security and Compliance (feedback from external MTI review and AON external cyber insurance work) and Technical Debt (any legacy applications or infrastructure that would benefit the shared service from being switched off but that has information management requirements for each council). Application Lifecycle Management embedded within Directorate Procurement roadmaps to reflect a consolidated commissioning model for all line of business systems.

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
2	Review of Technical Debt Register to inform business planning and to assist with simplification and cost optimisation work	30/06/2021					Technical Debt register reviewed internally and where appropriate used to inform business case development. Technical Debt Register to be shared with both clients with further work to be undertaken with both Councils to identify what can be decommissioned. Governance improvements under review to ensure that when new systems are implemented the legacy applications are appropriately decommissioned as part of the project - otherwise the estate will continue to grow.
3	Deliver Essential Replacement activity to ensure ICT Services are performant and compliant	31/03/2022					Progress as planned. Key focus on core Network and Data Centre Services.
4	Support the Councils (Joint Business Design Authority) to enable exploitation of existing ICT investment or design of new services	31/03/2022					Core infrastructure components for the Councils continue to be shared. No opportunity to share further than core infrastructure as Councils find it difficult to align timescales and requirements, this was highlighted in the recent Shared Services Review.
5	Strategic partnerships to exploit ICT Investment and support transformation	31/03/2022					Working with Microsoft (M365, Azure), Capita (Networks), Gartner/Infotech (Bbusiness/Technical/Architecture Assurance) and Apptio (Cost Transparency and Business Management), further opportunities being explored. Working with ICT Strategy, Social Care, Public Health and Health partner colleagues to assess implications of latest Health and Social Care integration legislation (ICS/ICP) and proposed Cheshire & Merseyside ACE platform technical architecture.

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
4	Governance - To provide a framework of governance to ensure the provision of robust information, intelligence and business cases to support effective decision-making.						
1	Provide effective decision-making support to operational services through Joint Strategic Board, Joint Service Improvement Board, Joint Business Design Authority	31/03/2022					Governance and regular reporting in place. JSB has agreed to review governance model following Shared Service review feedback. Further review as part of due diligence work.
2	Technical Design Authority to ensure all new ICT capabilities follow appropriate design process and adhere to strategic principles of Simple, Standard, Share and Self Serve	31/03/2022					Governance and regular reporting in place for managing the design process. Adherence to strategic principles are difficult to ensure at a technical level as there is no alignment of business requirements or business appetite to share.
3	Establish Business Management Function with responsibility for Financial Reporting, Project Management Office, Vendor Management and Sourcing and Resourcing within ICT Services	30/05/2021					Interim Business Management function established with responsibility for Financial Reporting, Project Management Office, Vendor Management and Sourcing and Resourcing within ICT Services. Regular monthly reporting to Joint Strategic Board. Reports have also been used to brief ICT Steering Group.
4	Ensure all technical change is managed through the formal change process including ICT Change Advisory Board (CAB)	31/03/2022					This is a mature process within the ICT Shared Service. The transition of Business World is being incorporated within the technical change process.

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
5	Financial Sustainability - To ensure the ICT Shared Service operates at the optimal cost base to support the Councils, challenging existing service delivery models whilst maximizing resource utilisation. To create a sustainable ICT Shared Services structure to support the Councils and its partners.						
1	Development of a sustainable financial strategy (balancing customer demand and growth pressures) with the need for an affordable cost model	Tbd					<p>Good progress made around the service information, utilisation, cost transparency, demand, contracts and resourcing.</p> <p>Work on the transition to a new model will continue in 2021/22 subject to the recommendations from the Shared Service Review.</p>
2	Agree a new ICT Service Product Catalogue	Tbd					<p>Having taken advice from Gartner and discussions with Cornwall Council we are focussing our attention on developing Value Propositions.</p> <p>The output of this work will be shared with both Councils in November 2021.</p> <p>A Value Proposition (VP) is the description of a Service and its associated Products, that are offered by ICT Services, to meet current known and future business needs in both a 'Business As Usual' and 'Change' related context.</p> <p>A Value Proposition also provides the following detail:</p> <ul style="list-style-type: none"> • The Business Outcomes that will be supported • The Resources and Tools required to deliver the VP • The full cost of delivering the VP • Associated KPI's to confirm performance expectations <p>Work on the new catalogue will continue in 2021/22 subject to the recommendations from the Shared Service Review/Due Diligence work.</p>

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
3	Recruitment of/New staffing structure for ICT Services	Tbd					<p>This objective was agreed before the Shared Services Review had been completed. It would make more sense to agree a new structure once the due diligence work has been completed and a decision made on the new model.</p> <p>In the absence of a full restructure, the service continues to review the most appropriate route to resourcing skills/capability and capacity gaps. The service has reduced the number of contractors required in the area of project management and has focussed on bringing through, training and mentoring our own staff to great success.</p> <p>Targetted Recruitment areas include Hosting, Server and Networks.</p>
4	Regular Financial reporting through JSB	01/04/2021					<p>Regular monthly reports to JSB have covered:</p> <ul style="list-style-type: none"> • Annual Budgeted position • Monthly Actuals • Forecast Outturn for 2021-22 • Commissioning tracker • Staffing • 3rd Party Growth Pressures • Budget Risks & Issue

KEY PERFORMANCE INDICATORS (KPI)

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1	Annual Customer Satisfaction Survey covering full range of services		75%	Not run in Q1	Not run in Q2	Not run in Q3		Due to be run in Q4 (January CWaC and March for CEC)
2	Delivery of projects to time, cost and quality milestones	78.9% (97/123)	75%	95.5%	100%	100%		<p>21 out of 22 projects passed each of the three milestones during Q1.</p> <p>10 out of 10 projects passed each of the three milestones during Q2.</p> <p>Note: Because of the quality element being included in this KPI, it is now reported one month in arrears, therefore only July & August are reported for Q2. (June was available when Q1 figures were requested.)</p> <p>8 out of 8 projects passed each of the three milestones in Q3. (See note above. Sep and Oct are included here, Nov is not yet available.)</p>
3	Customer Satisfaction (Project Delivery)	96.8%	70%					<p>Not Applicable for 21/22.</p> <p>This is now included in 2 above as the quality element of Delivery of Projects, as of 1/4/21.</p>
4	Availability of basket of critical systems and services	99.8%	99.0%	99.5%	99.9%	99.9%		Excellent availability this quarter, only two major incidents within ICT Services control recorded.

KEY RISKS

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
2	Any lack of clarity in funding, sourcing, skills, inventory, service levels, governance, and operating procedures may result in failure to provide adequate end user support within reasonable time frames with potential loss of credibility. Failure to keep infrastructure, systems, and solutions in a compliant state. Ageing infrastructure which is either EOL and non-compliant or has a significantly greater risk of failure.	12	12			<p>Further revision of service levels under Performance Management Framework</p> <p>Develop user self-service knowledge base and self service requests.</p> <p>Further development of the Product Catalogue.</p> <p>Further develop monitoring processes and information flows. Refine reporting structures.</p> <p>Continue to develop and monitor the compliance of the estate to ensure there are no non-compliant equipment on the infrastructure. A significant amount of remediation was achieved under the Evolution Programme.</p> <p>A detailed list of projects to address and refresh technologies has been included in the latest High-Level Business Cases.</p> <p>Refreshed Essential Replacement and Security/Compliance cases presented, funding to be confirmed.</p> <p>First Risk Workshop was held in early November, follow up meetings rescheduled until January due to Log4J cyber response.</p>

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
1	Service is forecasting an overspend position of £2.09m in Q3	01/04/2021		<p>ICT is working with governance groups on budget mitigations actions including vacancy management, review of third party contracts and permanent recruitment to replace certain contractor roles.</p> <p>The draft outturn for 2021-22 was based on 100,000 hours of commissioned projects, was reduced to 75,000 hours and has subsequently been reduced to 62,000 hrs. Should this not be achieved there will be an increase in the forecasted overspend position.</p> <p>JSB receive monthly reports on commissioned projects and will monitor closely</p>

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	Gareth Pawlett	Chief Information Officer & Head of ICT Services	
Client Manager CEC	Valda Williams	ICT Business Planning and Compliance Manager	
Client Manager CW&C	Peter Lloyd	Head of Change and Technology	
Head of Service	Jane Burns	Executive Director of Corporate Services	

OFFICIAL

PLANNED BUDGET DETAIL

Staffing Structure



ICT Structure Oct
2020 - No Names.doc

SERVICE DETAILS

Service Name	Libraries Shared Services (LSS), Education Library Service (ELS) and Bookstart
Service Manager	Lexa Farthing and Ann Cowsill
Client Managers	Rachel Foster (CWC); Joanne Shannon (CEC)

BUDGET SUMMARY

	Total Planned Budget £	End of year forecast Q1 £	Q1 Variance (+ or -) £ and %	End of year forecast Mid-year £	Mid -year Variance (+ or -) £ and %	End of year forecast Q3 £	Q3 Variance (+ or -) £ and %	End of Year Outturn £	End of year Variance (+ or -) £ and %
Service Budget	330,836	330,836	0	330,836	0	330,836	0		
Comments						A balanced budget is forecast			

See appendix A for the budget detail.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	£	Notes
ELS Permanent & LSS Permanent	15.8 & 16.5		15.8 & 16.5	1,019,422	All employed by CWC, SLA with CE for LSS and direct contract with schools for ELS
Bookstart Temporary	1.411		1.411	49,469.00	Funded by Starting Well Cheshire West and Early Years Cheshire East. Rolling contract so at present it is until 31 st March 2022.
Total			33.71	1,068,891	

A Staffing Structure is in appendix B

KEY PRIORITIES AND OBJECTIVES

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	Upgrade and enhance library management system <ul style="list-style-type: none"> • Lead and deliver Library Management System upgrade • Development of OPAC front end • Review communication solutions to library users • Respond to B4B impact on library systems and services 	Ongoing Sept 2021 March 22 March 22					<p>Q1. Upgrade date set for 9th/10th October. Rigorous testing has been undertaken and amendments have been made by the supplier and in house staff. Training materials are in development and will be rolled out to staff shortly.</p> <p>B4B has created significant issues and increased capacity demands for library operations and LSS support has worked hard to support libraries in getting these resolved. B4B challenges are impacting accurate reporting.</p> <p>Q2. Training and guidance released to staff and champions in advance of upgrade. Upgrade date remains 9th/10th October B4B continues to cause issues on capacity and accuracy of reporting</p> <p>Q3. Upgrade completed across all libraries. Issues following roll-out identified and resolved. Work now being started on new developments such as stock rotation and development of OPAC.</p> <p>Significant support still being given in response to impact of B4B.</p>

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
2	Digital services: <ul style="list-style-type: none"> Promote and develop e-lending services work with ICT and library services to implement Peoples Network review Support library service initiatives 	Ongoing March 22					Q1. Take up on the new digital services has been strong. The team has provided support to the public on setting up access and using the services. Promotional materials have been provided to libraries, liaison with suppliers to undertake developments to the services. Provision and monitoring of statistics for usage and expenditure. Reliant on ICT for progression of PN review which has slowed owing to staffing changes in ICT Strategy. Q2 No progress on PN review, progressing update from ICT Strategy Q3 No progress on PN review, awaiting update from ICT strategy. Work has been completed on the development of newsletters for libraries. Liaising with libraries over promotion of e-lending services.
3	Stock: <ul style="list-style-type: none"> Reprocure stock contracts for public libraries and ELS 	March 2022					Meetings held with procurement team. Contact made and documentation sent out to key staff in library services for review. Q2 Discussion held with Cheshire West Commissioning Board, specification being edited. Q3 Procurement released on Chest with view to completing in January.
4	Service review: <ul style="list-style-type: none"> Delivering policy options and contributing to wider Shared Services review Ensuring service resilience 	Ongoing					Liaising with HR and service representatives to refine prior to implementation. Q3 Proposal has been taken to Trade Unions, HR and grading panel for approval with view to consult in January.

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
5	Service Level Agreement: <ul style="list-style-type: none"> Maintain and review 	Ongoing					Quarterly meetings scheduled with CE and CWC representatives to ensure delivering effectively. Regular contact with service representatives.
6	ELS Buy back <ul style="list-style-type: none"> Review and implement new 3 year subscription offer 	Jan 2022					Liaising with Finance lead to review pricing and ensure offer meets service delivery costs prior to launch in Qtr 4. Qtr 2 – Academic year buybacks now complete No fall in subscription numbers. Stronger position for forward planning, contracts for this financial year are in place now giving clearer picture for forward planning for 3 year offer. Qtr 3 – 2 more subscriptions and more enquiries. Up on same period last year . Still liaising with finance for pricing review.
7	ELS library systems <ul style="list-style-type: none"> Use data to demonstrate value and support advocacy Respond to B4B impact on library systems and services 	Sept 2021					Qtr 1 - Have been adding consultancy and advice information on to LMS to support value statement Data for all schools invoiced by ELS added to system and invoiced Large amount of work done to rationalise suppliers invoices. Qtr 2- Continue to respond to B4B issues. Further staff training scheduled. Qtr 3- still responding to B4B issues . HR modules on, additional staff training scheduled.

No	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
8	ELS Virtual offer <ul style="list-style-type: none"> Deliver increased training and support virtually Further development of social media to maximise engagement with schools 	Phase 1 April 2021					Qtr 1 - 3 training sessions delivered Have given schools options for support and staff meetings , now saying prefer actual visit from ELS staff. Social media engagement increased. Qtr2- maintaining social media presence, schools opting for more a return to more physical visits to schools. Continuing to develop social media engagement. Qtr 3 – 3 training sessions for secondary schools onsite, well attended . Planning for next terms sessions.
9	BookTrust initiatives <ul style="list-style-type: none"> Engage with clients to secure ongoing commitment for Booktrust initiatives Delivery of universal early years offers to families across both authorities Delivery of targeted resources including resources for vulnerable and cared for children. Support library services in accessing initiatives including the new planned BookTrust library offer 	Ongoing					Qtr 1 – service delivered and engaged with clients, reviewing new national offer. Qtr 2 – Absence of Bookstart Co-ordinator due to ill health has created pressure on service. However, delivery of resources has continued as expected, we are continuing to engage with centres and other key contacts; libraries are progressing with the new BookTrust storytime initiative through interim support from Public Library teams in CE and CWC. Qtr 3 – Bookstart Co-ordinator back in work. Continuing to deliver resources as required.

KEY PERFORMANCE INDICATORS (KPI)

No	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1	Orders from libraries are submitted to the supplier within 3 working days	Stock orders submitted in under 1.1 days	3 days					Q1&2 KPI being exceeded at 1.1 days Q3 KPI being exceeded at 1.1 days
2	New stock arriving at LSS, processed and despatched to the correct library within 5 working days	New stock supplied to services within 3 days	3 days					Q1&2 KPI being met Q3 KPI being met
3	ILU - Search for item, place request and respond to library within 5 working days	5 days	5 days	84%	97%	88%		Q1 (correction) 84% affected by closure of services Q2 – 97% Q3 – 88% - some delays owing to staff vacancy
4	Libraries enquiries mailbox – Response and resolution to all public and staff enquiries	Respond within 1 working day Resolution or progression to third party within 1 working day	100% 95%					Q1&2 KPI being met Q3 being met

No	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
5	Deliveries - Adherence to routes and timetable as defined in schedule B	n/a	Route Completion					Q1 Routes are flexible and are adjusted to meet the changing requirements of libraries as services have increased hours following pandemic closures Q2&Q3Continuing to provide flexibility to meet libraries' needs whilst libraries continue to reopen or work on alternative timetables. We recognise that Business continuity may be affected by national circumstances – fuel shortages, and a high demand on hire vans making access to back up vehicles at short notice difficult. Will continue to revise business continuity plan.
6	Ensure that ELS is providing level of service outlined in service specification to schools and within agreed budget	Service delivered to agreed level and on budget 274 schools subscribed	On target					Q1 - Currently 274 schools. 57500 items collated and delivered to schools in April, May and June. Advisory and consultancy in person or virtually. Teachers/librarians may visit site to select with appointment. CE primary schools and CWC primary and secondaries resubscribing via EQWIp and CHESS. Q2 - school buybacks maintained at 274. Mobile Library resumed school visits High demand from schools for actual visits from librarians for help and for consultancy. 82,911 resources collated and delivered to schools in Qtr 2. Qtr3 - number of schools standing at 277. High demand for librarian visits to

No	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
								schools currently. Delivered 78,000 items this quarter.
7	Send 6 Letterbox packs to targeted children between ages of 5-13	100% CWC CE opted out of Letterbox	100% - all eligible children CE restarted Letterbox					Q1&Q2 on target Q3 on target
8	Number of additional needs resources gifted to target	N/A	100% (BookTrust allocation - 384 resources)	60 gifted	149 gifted	29 gifted		Q1 & Q2 on target – 54% gifted Q3 on target
9	Number of Dual Language resources gifted to set target	CE - 179 books gifted (allocation 300) 59% CW&C – 168 books gifted (allocation 300) 56% 20/21 figures affected by Covid-19	100%	CE 136 CW&C 158	CE 36 CW&C 30	CE 21 CW&C 72		Q1 & Q2 on target – 60% gifted Q3 on target – 75% gifted
10	Increase under 5s membership	CE – 2537 new u5 members CW&C – 2065 new U5 members *2019/20 figures	2% increase on previous year	CE 536 CW&C 269	CE 337 CW&C 290	TBC at end of 1/4		Q1 & Q2 owing to Covid 19 new member figures have been severely affected.

No	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
11	Number of Universal packs gifted to BookTrust quality standards set target	CW&C Baby packs 2394 (76%) Treasure packs 4428 (100%) CE Baby packs 2488 (66%) Treasure packs 4676 (100%) *2020/21 figures	95%	CW&C Q1 Baby Packs 1103 Q1 Treasure packs 391 CE Q1 Baby Packs 488 Q1 Treasure Packs 3538	CW&C Q2 Baby Packs 909 Q2 Treasure packs 108 CE Q2 Baby Packs 627 Q2 Treasure Packs 736	CW&C Q3 Baby packs 637 Q3 Treasure packs 1485 CE Q3 Baby packs 542 Q3 Treasure packs 9		Q1 on target Q2 on target Q3 on target

KEY RISKS

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
-						

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
-				

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	Lexa Farthing & Ann Cowsill	Bibliographical Services Manager & Lead Librarian ELS	23 Dec 21
Client Manager CEC	Joanne Shannon	Library Services Manager	Sent 23 Dec 21
Client Manager CW&C	Sally Starkey	Libraries Development Manager	23 Dec Oct 21
Head of Service/Director	Rachel Foster	Head of Communities, Culture & Libraries	

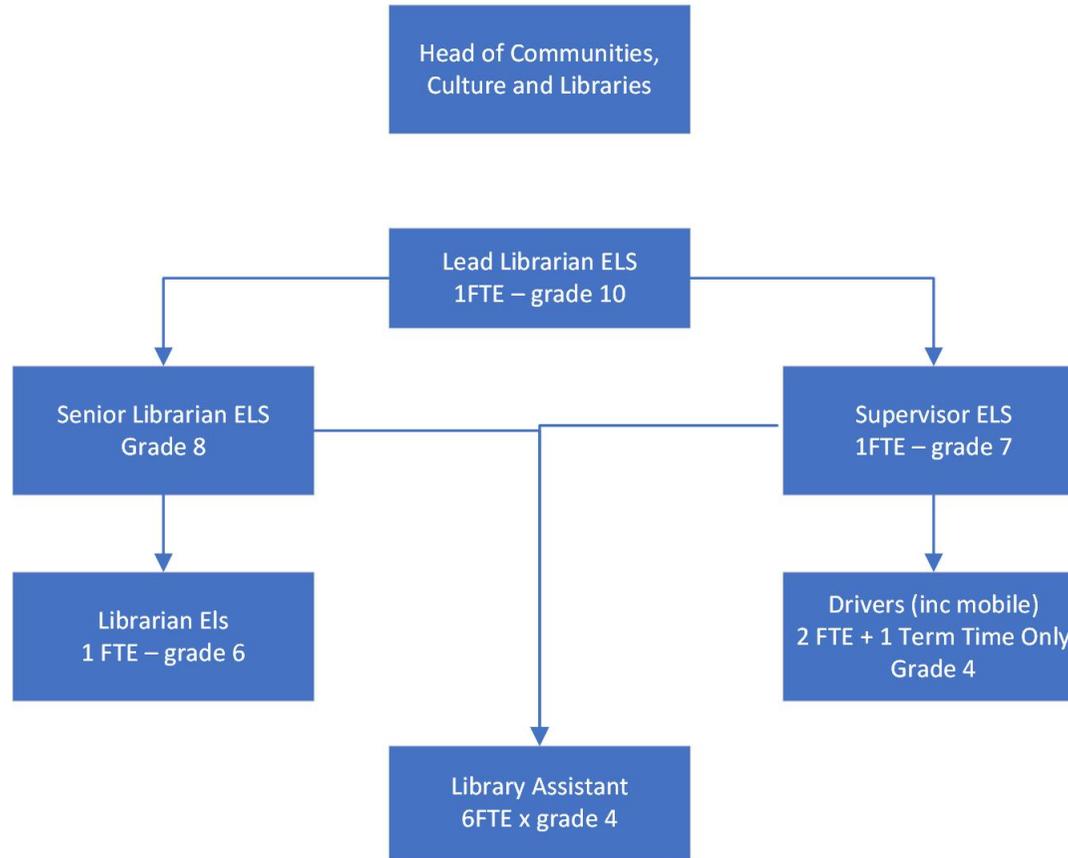
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Budget Detail

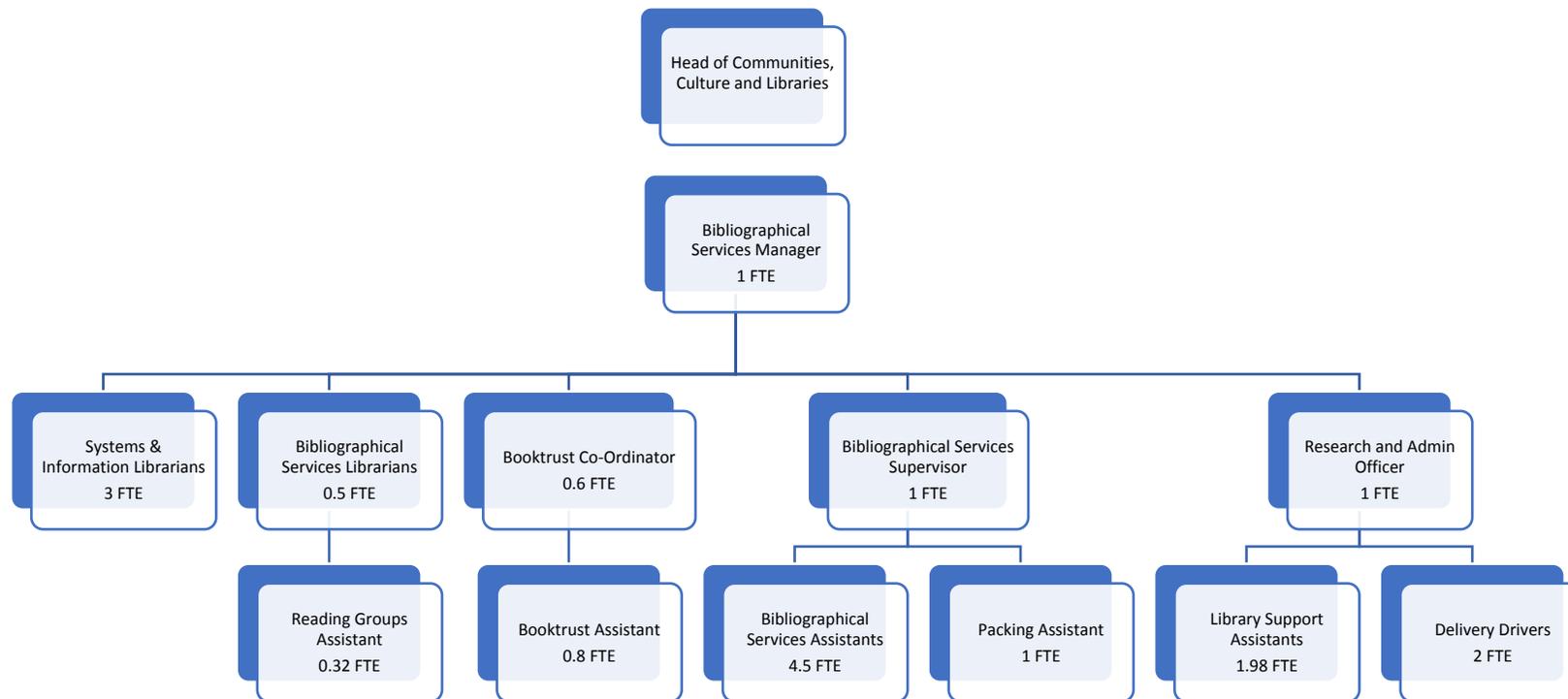
EXPENDITURE	ITEM				Total 21/22 £	% change from previous year
	EXPENDITURE	ITEM	Total 21/22 £	% change from previous year		
	LSS	Direct Employee Exps	586,562	0%		
		Premises	65,226	0%		
		Transport	30,583	0%		
		Supplies and Services	78,505	-19%		
			760,876			
	ELS	Direct Employee Exps	482,329	0%		
		Premises	68,364	0%		
		Transport	30,800	0%		
		Supplies and Services	319,839	-9%		
		Indirect Employee Exps	1,500	0%		
			902,832			
	Gross Costs					

INCOME		ITEM			£	% change from previous year
INCOME	ITEM	£	% change from previous year			
LSS	Book start contributions	-45,000	0%			
	General Fees + Charges	-35	0%			
	Income	-2,325	0%			
	Reimb Re Pan Ches Sh Serv	-	0%			
		350,454				
		-				
		397,814				
ELS	General Fees + Charges	-100	0%			
	General Sales	-78	0%			
	Joint Arrangements	-	0%			
		165,250				
	School Recharges	-	5%			
		769,630				
		-				
		935,058				
NET BUDGET					£	% change from previous year
					330,836	-11%

Staffing Structure



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SERVICE DETAILS

Service Name	Transactional Services
Service Manager	Jude Green
Client Managers	Heather Grove

BUDGET SUMMARY

	Total Planned Budget £	End of year forecast Q1 £	Q1 Variance (+ or -) £ and %	End of year forecast Mid-year £	Mid -year Variance (+ or -) £ and %	End of year forecast Q3 £	Q3 Variance (+ or -) £ and %	End of Year Outturn £	End of year Variance (+ or -) £ and %
Service Budget	144,789 net 5,378,967 Gross	£5,892,540 £657,962	+228,252 +£513,173 9.54% of Gross budget	5,882,235 689,701	+£544,912 10.13% of Gross budget	5,924,481 £730,274	£584,501 10.87% of Gross Budget		
Comments	Net budget is pensions deficit and projects funded solely by CW&C	Restated figures – based on my workings at June 21		Overspend due to B4B costs absorbed by the shared service and a shortfall in income due to a number of academies taking their payroll inhouse from November 2021		Overspend due to increased B4B costs to support GL2 absorbed by the shared service and a shortfall in income due to a number of academies taking their payroll inhouse from November 2021			

See appendix A for the budget detail.

STAFFING

Type	Total Number of FTE	CEC FTE	CW&C FTE	£	Notes
Permanent	113.4	2	111.4	3,983,753	This is the FTEs in the costed structure
Agency	8		7	0	- Not in costed structure No budget for these posts
Total	121.4	2	119.4	3,983,753	

A Staffing Structure is in appendix B.

KEY PRIORITIES AND OBJECTIVES

Number	Service Priorities/ Objectives	Date due for completion	Quarter 1 Review RAG rated	Mid Year Review RAG Rated	Quarter 3 Review RAG rated	End of Year RAG Rated	Comments
1	To support the councils delivery of UNIT4 ERP (GL2) ensuring transactional services is change ready	Summer 2021					System now live on all clients
2	To review KPI targets, contractual arrangements and SLAs in line with functionality of UNIT4 ERP.	June 2021					As the GL2 date has moved this will now be undertaken in Q4
3	To maintain and manage an efficient and effective shared service delivering key financial services	March 2022					On target
4	To undertake a review of Transactional Services Service Offer in line with new functionality of UNIT4 ERP	31 January 2022					To be picked up following GL2 and coinciding with the outcome of the shared service review
5	To analyse the reduction in demand on services following the implementation of UNIT4 ERP	December 2021					To be picked up following GL2 and the outcome of the shared service review
6	To lead on the implementation of a Cashless/Paperless strategy phasing out the use of cash/paper	March 2022 (phase 1)					On target – review of requirements currently underway
7	To meet service policy options implementing a new structure for the shared service following the implementation of Unit4 ERP	June 2021					Full service review will be implemented following GL2

KEY PERFORMANCE INDICATORS (KPI)

Number	Key Performance Indicator Description	Previous Year Actual	Current Year Target	Quarter 1 Position RAG rated	Mid year Position RAG Rated	Quarter 3 Position RAG rated	End of year Position RAG rated	Comments
1	Payment to suppliers within terms	CE – 95.34% CW&C – 97.36%	90%			TBC		Q2 position CE – 90.45% CW&C – 94.93%
3	Delivery of efficient and effective recruitment processes	CE – 98.55% CW&C – 99.25%	85%			TBC		Q2 position CE – 95.57% CW&C – 98.58%
4	Delivery of effective payroll system and service	CE – 99.84% CW&C – 99.92%	99%			TBC		Q2 position CE – 99.79% CW&C – 99.88%

KEY RISKS

Number	Key Risk Description	Q1 Rating	Mid year Rating	Q3 Rating	End of year Rating	Comments
15	Continued loss of income from schools/academies impacts income for the shared service	9	9	12		Many academies and schools have mooted they may consider sourcing different pay providers
4	Failure to be able to deliver policy option savings due to UNIT4 ERP not delivering the expected benefit realisation.	9	9	12		Initial support following go-live has been very high – this has necessitated additional resources being required.
2	Teething problems following the implementation of Business World would impact the shared service being able to deliver business.	8	8	12		Although current system issues do not stop the councils being able to deliver business – there a few defects (known at the go-live decision point) that are priority fixes

ISSUES SUMMARY

Number	Key Issues Description	Date issue arose	Date issue closed	Comments
	none			

APPROVAL

Approval	Name	Job title	Date Agreed
Service Manager	Jude Green	Head of Transactional Services	22/12/21
Client Manager CEC	Heather Grove	Senior Manager: Business Development, Assurance and Collaboration	04/01/2022
Client Manager CW&C	Sandra Cunliffe	Transactional Service Manager (QIT&D)	
Head of Service/Director	Debbie Hall	Director of Finance	

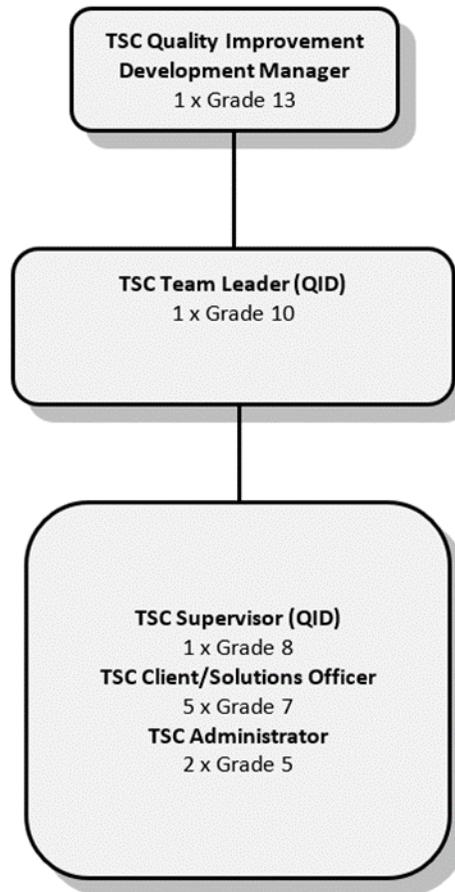
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Budget Detail (before inflation)

EXPENDITURE	ITEM	Total 21/22 £	% change from previous year
	Employees	3973249	6.1%
	Other	3000	-50.0%
	Rent and Service Charge	359890	0.0%
	Mileage Claim	4000	-17.0%
	Office Equipment and Printing	220099	0.0%
	Corporate Services Buyback	101201	0.0%
	Oracle Lease	618319	0.0%
	Other Computer	24000	0.0%
	Telephony	12342	0.0%
	Postage	8500	0.0%
	Apprentice Levy	14000	0.0%
	DBS costs	365000	0.0%
INCOME	ITEM	£	% change from previous year
	CWAC income	-1572003	20.6%
	CEC income	-1547989	21.0%
	CEC companies income	-106107	0.0%
	Other companies	-355136	-20.9%
	Schools	-1521525	-11.9%
	Various	-43418	0.0%
	DBS income	-365000	0.0%
NET BUDGET		£	% change from previous year
	Shared service higher pension contributions	95422	-21.9%

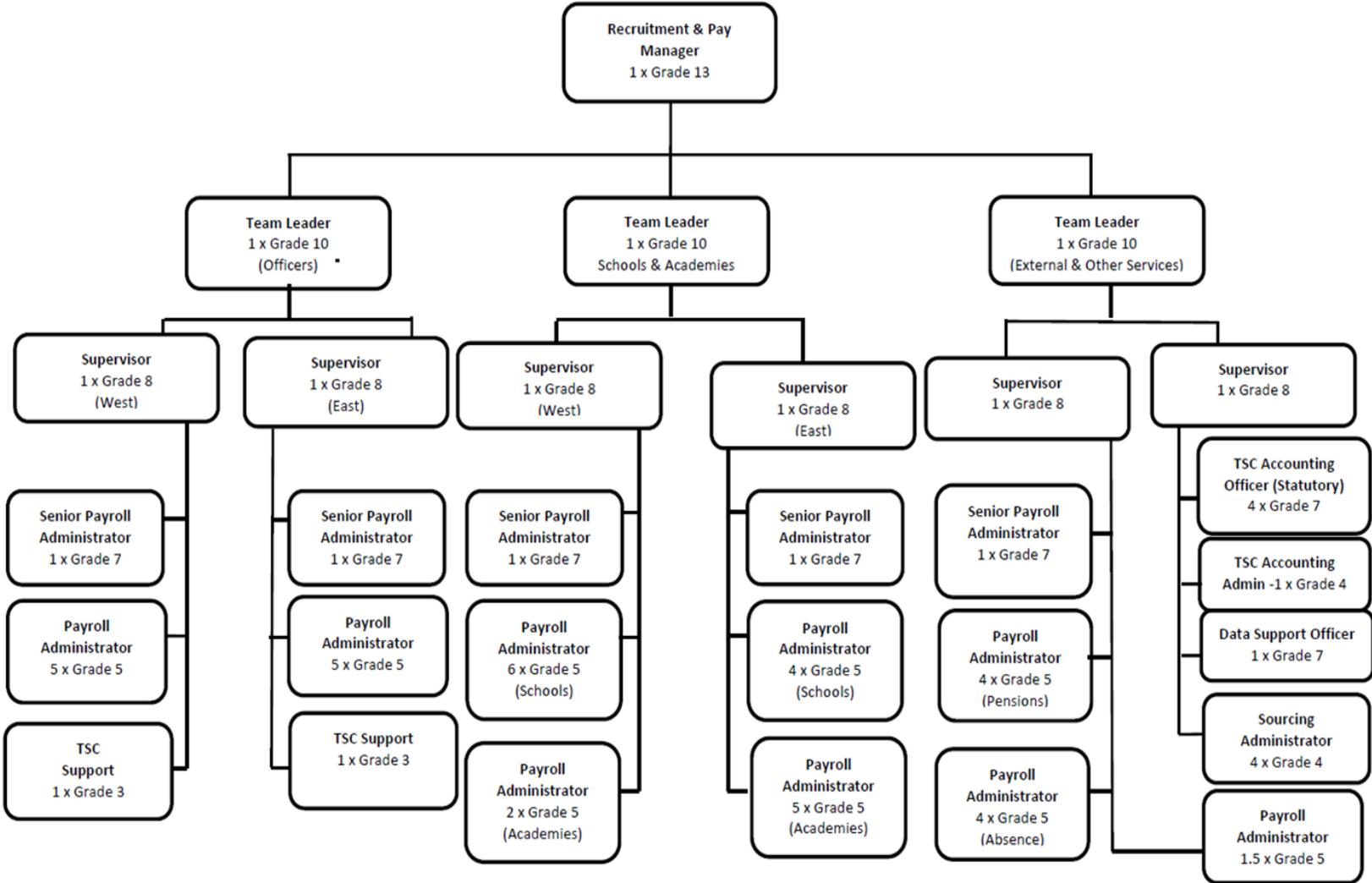
Current Staffing Structure

Quality Improvement Development – As Is Structure

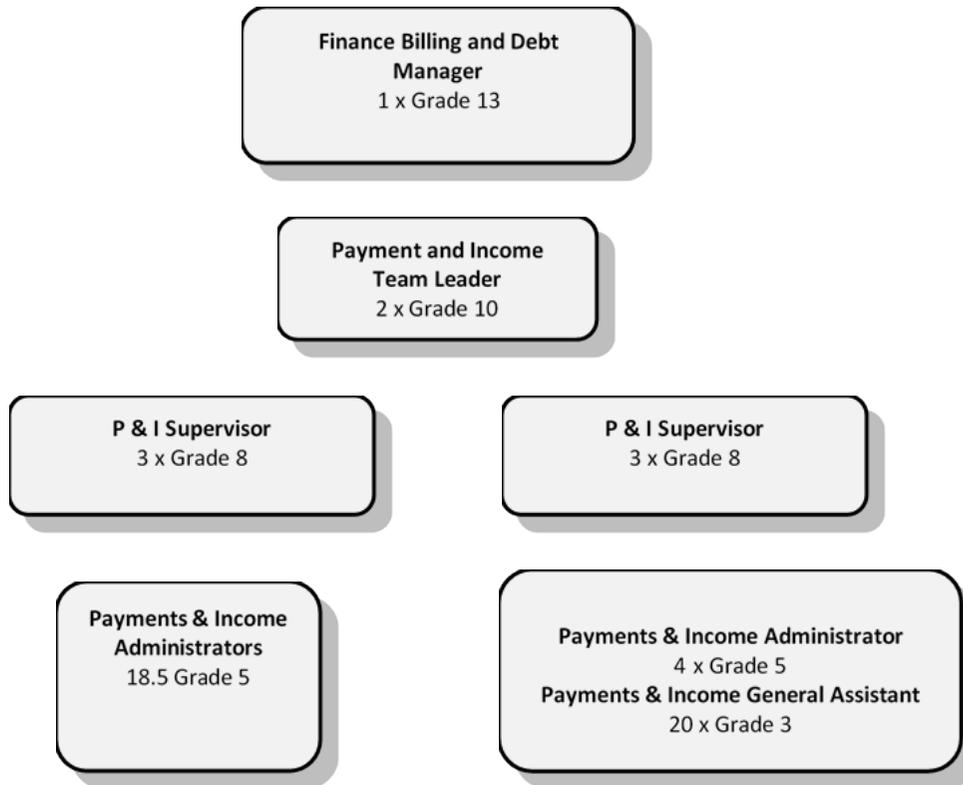


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Recruitment & Pay As Is Structure



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ICT Technical Lead

Finance Functional Support
G10

Finance Development Support
G10

Governance & Support Manager
G13

HRP Functional Support
G10

HRP Development Support
G10

Governance Team

ICT Technical Support

Fianance Support
Officer

G8

Finance Support Officer

G8

HRP Support Officer

G8

HRP Support Officer

G8

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Cheshire East Council

Cheshire West and Chester Council

Shared Services Joint Committee

Date of Meeting: 21st January 2022

Report Title: Shared Service Review Update Report

Senior Officer: Jane Burns, Executive Director, Corporate Services, Cheshire East Council
Mark Wynn, Chief Operating Officer, Cheshire West and Chester Council

1 Report Summary

1.1 This report provides an update of the progress of the shared services review.

2 Recommendations

2.1 It is recommended that Members:

- i) Note the findings, recommendations, and next steps for Phase 2: Transactional Services
- ii) Note the findings, recommendations, and next steps for Phase 3: six smaller shared Services

3 Reasons for Recommendations

3.1 The Shared Service Joint Committee terms of reference sets out that Joint Committee is responsible for overseeing changes related to the shared services.

3.2 A Review of the arrangements between the two councils is being undertaken. This report brings members of the committee up to date on developments.

4 Background

4.1 Cheshire East Council and Cheshire West and Chester Councils agreed to commission a strategic review of all the existing eight formal shared services. It was agreed that an external perspective and expertise would be valuable, and a specification was drawn up, a procurement exercise undertaken, and C.Co, the consultancy arm of CIPFA, were appointed to conduct the reviews. This work has largely been completed and is in the process of being reviewed.

5. Approach to the Shared Services Review

5.1. The purpose of the review exercise is to:

- provide assurance on the operation of the shared service in terms of both meeting the objectives of each council and delivering value for money.
- to identify opportunities for efficiencies and financial savings; and,
- to identify how could the services work better and/or what will make them work better?

5.2. The review of all the shared services has been undertaken in three phases, this report provides a summary:

Phase 1: ICT Shared Services – in depth review

Phase 2: Transactional Services – in depth review

Phase 3: Wider Shared Services (remaining six shared services) – light touch review

6. Summary Progress of Phase 1: ICT Shared Services (in depth review)

6.1 The key findings of this review were reported to this committee on 24 September 2021. Further work on technical and financial assurance and due diligence was agreed. The more detailed exercise is required to fully understand the impacts, the delivery plan, the costs, and the benefits of moving to the recommended ICT model before a decision is taken.

6.2 The resource impact across ICT services as a whole is regularly monitored through project governance to ensure this is manageable and to reduce any additional costs or impacts.

6.3 This activity is underway and is anticipated to complete by April 2022.

7. Summary Progress of Phase 2: Transactional Services (in depth review)

7.1 The review of Transactional Shared Service has considered the strategic alignment between the Councils, efficiency and effectiveness of the service, through baselining costs, benchmarking against other councils and gaining a deeper understanding of performance from a customer perspective. It has then considered the best delivery model for the future and has recommended opportunities for further improvement.

7.2 Transactional Services is hosted by Cheshire West and Chester Council and operates as a shared service model with a 50:50 split of all costs and potential liabilities such as underspends and overspends. The review identified that overall, this funding equates to a broad 50:50 split of all costs associated.

7.3 The review has acknowledged the significant challenges that Transactional Services have faced over the last few years, particularly in relation to the implementation of UNIT 4 ERP and COVID response.

- 7.4 The review has also factored in the current service review for Transactional Services due to be consulted on during Q4 21/22 to meet the UNIT4 ERP policy options and in their costings took account of the proposed reduction in posts.
- 7.5 The key findings from this review are:
1. There is strategic alignment between to the two Councils. As well as the investment the two Councils have made to the new ERP system, there is a wider strategic commitment to working together. There is alignment of strategies and policies which provide a good starting point for identifying opportunities for improvement and realisation of efficiencies.
 2. Benchmarking was looked at for Cheshire East and Cheshire West and Chester separately (as there is some variance in certain elements of demand between the Councils) and as a total Shared Service. In all areas considered the benchmarking provided assurance that costs are broadly in line with comparators. There are some areas where they are at the lower end of the statistical neighbours and some where they are at the higher end. Generally, Transactional Services are competitive on both costs and service delivery volumes across payments and income and payroll and recruitment.
 3. The Transactional Shared Service is largely a demand-led service, the volume of activity is driven by factors external to the service. Avoidable demand is significant within the service. One of the greatest areas of avoidable demand is having to deal with requests for payment where there is no purchase order, meaning a process that should be largely automated requires significant manual intervention and unnecessary complexity and double handling.
 4. Due to various changes across the councils the current model is not fully supported by defined 'client' functions. This can lead to a lack of direction, inconsistent views of processes, confused understanding of priorities and a lack of defined and mutually agreed plans and actions for improvements. As a partner to the Councils, Transactional Services need to be able to understand and respond to needs and priorities.
 5. The performance of Transactional Services is currently measured on the purely numerical transactions – volumes, days and percentages - as opposed to more qualitative measures such as customer satisfaction and continuous improvements.
- 7.6 The overall recommendation from C.Co following the review is to optimise the current service first and to aspire to achieving best value and a leading service following the full implementation of Unit 4 ERP.
- 7.7 The points below list the recommendations for the Shared Service. However, it should be noted that further internal work is required regarding planning and necessary resourcing needed to take this forward.

1. Establish clear client responsibilities within the Councils and identify relationship leads within the shared service to form the foundation of the future governance to:
 - Build strong relationships
 - Monitor performance
 - Identify continuous improvement opportunities
 - Oversee the consistent roll-out of improvement initiatives outlined below
 2. Review operational differences which contribute to varying costs (e.g. banking provision) and consider standardisation to the lowest cost of process where possible.
 3. Consider creating a shared services identity for Transactional Services and an associated culture and engagement approach (in the service and the councils) to establish a stronger proactive customer service approach and ensure the shared service is embedded into both councils.
 4. Officers to conduct a more detailed assessment of the future relationship with external bodies. Delivering services to external bodies costs both authorities increasing and significant amount of money which isn't fully reflected in the charges applied. The pros and cons of maintaining these relationships need to be understood in more detail.
 5. Revisit the pricing mechanism once Unit 4 is fully rolled-out and in a stable state.
 6. Establish a programme of activity focussing purely on reducing avoidable demand on the Payments Team should be mobilised.
- 7.8 The overall recommendation is that the model for Transactional Shared Service is optimised through taking forward the recommendations outline in 7.7. From an implementation perspective, the improvement/action plan needs to take into account other pressures and priorities the shared service is under in terms of phasing.
- 7.9 **Phase 2 Next Steps**
- 7.10 The next steps of the review are:
1. Officers to develop a draft action plan and resource model for delivering the report's recommendations. (March 2022)
 2. Provide Members with an update report at SSJC (March 2022)
8. **Summary Progress of Phase 3: Wider Shared Services (Remaining Six Shared Services)**
- 8.1 The C.Co report on the findings and recommendations for the six smaller shared services is now complete.

- 8.2 In line with the agreed approach with C.Co the review of the smaller shared services would be much more in line with a lighter touch desktop review.
- 8.3 A consistent methodology and approach have been applied to all the reviews, incorporating engagement with managers, review of strategy, financial and establishment data, as well as best practice assessments.
- 8.4 Each service differs in scale, impact and the degree of shared service it operates e.g. expertise/management vs operational. Irrespective of this, it is important to note that they are all subject to the same Shared Services governance, through the Shared Services Joint Committee (SSJC). This requires annual business plans to be submitted and quarterly performance reports to be provided.
- 8.5 As part of the review, the services were considered against a series of principles to assess whether they were truly a Shared Service, whether they operated as a Managed Service or were functioning as a Strategic Partnership.
- Shared Service: with shared objectives, priorities and financial liabilities and benefits
 - Managed Service: with fixed costs and defined deliverables expected by one party
 - Strategic Partnership: working with both Councils contributing towards a wider strategic goal
- 8.6 The key findings and recommendations are:
1. Overall, all the six Shared Services are operating well and in line with best practice where comparisons can be made.
 2. There is a mixed approach to how these six smaller services operate, with some operating as shared services, whilst others are more in line with the definition of a managed service or a strategic partnership. The Councils should consider the service definitions and associated expectations
 3. Governance and reporting in some cases is not proportionate to the type of service or the services size and can duplicate or create additional avoidable effort. For example, Cheshire Rural Touring Arts has just 1.4 FTE and already reports quarterly to Arts Council England on progress. The governance and reporting depth for services should be reviewed to balance sufficient oversight with delivery.
 4. Service Level Agreements (SLA's) for each of the Shared Services have been in place for many years, these should be reviewed to ensure they are up to date and reflect the current and future expectations for the services.
 5. Funding, for some services, needs to be reviewed to ensure alignment with the shared services principles.

8.7 As part of the review each shared service has an individual findings and recommended areas for improvement on a smaller scale which have been shared with the heads of shared service and respective client managers in each Council.

8.8 Phase 3 Next Steps

- Officers to consider benefits and implications of the proposed changes to the “type of service”. (March 2022)
- Establish an informal SSJC session to work with Members to consider the potential changes to governance and reporting. (March 2022)
- Liaise with shared service managers on individual service recommendations to build into business planning for future years. (to be included in 2022/23 business plans)

9. Implications of the Recommendations

9.1 Legal Implications

The Shared Services Administrative Agreement sets out the overall arrangements in relation to the way the sharing Authorities will work together. This will be revised when revised arrangements are agreed.

9.2 Finance Implications

The cost of the contract with C.Co is £98,000 for the Shared Services Review, shared equally between the two councils.

9.3 Policy Implications

Any changes to policy implications as a result of the findings and recommendations of the review will be identified by each service and taken through appropriate governance processes.

9.4 Equality Implications

There are no direct Equality implications at this stage.

9.5 Human Resources Implications

Implications for Human Resources are dependent on the recommendations arising as a result of each review where needed an action plan will be developed to take forward the recommendations and any HR implications will be considered as part of the action plan.

9.6 Risk Management Implications

Any risks associated with the findings and implementation of recommendations will be made clear to members as they are understood.

Risks are included in each organisation's risk register as appropriate.

9.7 Rural Communities Implications

There are no direct implications for Rural Communities.

9.8 Implications for Children & Young People/Cared for Children

There are no direct implications for Children and Young People/Cared for Children.

9.9 Public Health Implications

There are no direct implications for Public Health.

9.10 Climate Change Implications

There are no direct Climate Change implications

9.11 Ward Members Affected

This report relates to Shared Services that operate across both CE and CWC, therefore all wards are affected in both Councils.

10. Access to Information

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

11. Contact Information

11.1 Any questions relating to this report should be directed to the following officer:

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SHARED SERVICES FORWARD PLAN

SSJC date	SSJC Agenda items
21/01/2022	<ol style="list-style-type: none"> 1. SS Business Plans – 2021/2022 Q3 Review Report 2. Shared Service Review Update Report 3. B4B Update Report 4. Review of Forward Plan
25/03/2022	<ol style="list-style-type: none"> 1. SS New Business Plans 2022/2023 Report 2. B4B Programme Post Implementation and Lessons Learned Review 3. Shared Services Review – Conclusions and Next Steps
	The 2022/2023 dates below are provisional dates
17/06/2022	<ol style="list-style-type: none"> 1. tbc
22/07/2022	<ol style="list-style-type: none"> 1. SS Business Plans 2021/2022 Q4/Outturn Report
23/09/2022	<ol style="list-style-type: none"> 1. tbc
25/11/2022	<ol style="list-style-type: none"> 1. Shared Service Business Plans 2022/2023 – Mid-Year Update Report
17/01/2023	
17/03/2023	<ol style="list-style-type: none"> 1. New Business Plans 2023/2024 Report

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