

Performance & Capacity Advisory Panel

Thursday 5th March 2009

SHARED SERVICES UPDATE

Introduction & Purpose of Document

This document provides an update to the position reached on services to be shared with Cheshire West and Chester Council (CWACC) from 1st April 2009, the remaining areas of work to be completed and the decision/sign-off process.

Current Position

Members will recall the in principle decision of 7th October 2008 by Cabinet:

1. That the recommendations of the Joint Liaison Committee held on 19 September 2008 regarding further areas of pan-Cheshire service delivery be endorsed.
2. That approval in principle be given to the recommendation of the Deloitte report on Shared Back Office Services specifically to:
 - (a) establish a Shared Back Office primarily located in West Cheshire, subject to confirmation of the governance arrangements, the detailed scope of the service, an outline Service Level Agreement, clarification of the cost-sharing arrangements, the scope for flexible and mobile working and locality-based staff.
 - (b) review the arrangements within two years and to consider further development of the service including market-testing as appropriate
 - (c) engage in the necessary consultation on the details of the agreed approach.

Subsequently an officer team led by the Borough Treasurer and Head of Assets has been working with counterparts from CWACC in order to progress this decision. The key tasks completed to date include:

- Development of CEC requirements for the key transactional/ICT services to be shared;

- Finalisation of a schedule of other services to be shared on either a transitional or continuing basis with CWACC, and identify the preferred 'host' authority (see Appendix 1).
- Readiness assessment of services to be shared;
- Agreement on a governance structure to support the proposed constitutional arrangement to be set up with CWACC to oversee service delivery (see Appendix 2);
- Definition of 'host authority' role based on the fundamental principles agreed by the Joint Liaison Committee and an explicit joint approach to the development and delivery of these services;

Work is ongoing on the formal arrangement for staffing the shared services. Both authorities are keen to ensure that staff moving into the shared services are treated equally irrespective of any designation of 'East' or 'West' that may have been made as part of the general disaggregation. The team is also working to ensure future career opportunities are preserved (for example through relaxing recruitment policies to allow shared services staff to apply for 'internal only' appointment processes in either authority)

The joint team has also:

- Prepared a communications plan (the first update bulletin has already been issued to relevant staff, and future communication activity will include wider stakeholders such as service users, third party clients etc.);
- Started work on a branding strategy to define the shared services as a distinct entity;
- Nominated/appointed service area leads to progress service designs;

Workplan to 31st March 2009

The priority is to get services running effectively through the immediate transition period. For services currently provided on a pan-Cheshire basis this requires less of a transition. The bulk of the service design effort will lie within the transactional and ICT support functions, for which CWACC is the host. CEC will ensure that services are suitably aligned to support our in-house services through liaison and guidance from our service heads in ICT, Finance, HR and Legal.

In addition we will work to enshrine the agreed principles of governance in an inter-authority agreement. Eversheds has recently been appointed jointly by the two Councils in order to prepare the agreement documentation which will consist of:

- An overall administration agreement (covering general principles of joint working, performance management, change control mechanisms, dispute resolution and exit terms);
- A staffing agreement (detailing the mechanism through which the non-host will supply staff to the host);
- Individual agreements covering the specific issues pertaining to each service (e.g. cost share mechanisms, service level agreements, service plans and improvement activity etc.)

Decisions required from Cabinet

In March Cabinet will be asked to endorse the broad approach and specific financial, commercial and operational proposals in respect of the services to be shared in advance of Vesting Day, including:

- the broad principles of joint working with CWACC as enshrined within the administration and staffing agreements;
- the final list of proposed shared services (and their designated hosts) and a paper setting out the rationale for any proposed additions, or amendments, to the list previously discussed within the Joint Liaison Committee, will be presented in advance of this decision;
- proposed membership for the joint committee which will oversee all of the shared services;
- specific elements of the individual service agreements covering cost share and overall performance objectives

Thus Cabinet will have clarity on the overall relationship to be entered into with CWACC, the services to be shared, governance structures and key financial and legal implications of this proposed collaboration before it confirms the in principle decision taken in October 2008.

Given the necessary focus on Day One continuity and the ongoing service design work at the individual service level it is probable that some of the detail of the individual agreements may only be finalised post 1st April and, if this appears likely, a request to delegate appropriate authority to the Borough Treasurer and Head of Assets to finalise the detail of the arrangements will be made.

Appendix 1 – Proposed List of Shared Services

Original list of services proposed to be shared under long-term arrangements

Ref	Name	Description	Proposed Host
A1a	Back Office Services	Transactional back-office services, including: - Employee Services - Purchasing and Exchequer - Accounting Data Management and Control	Cheshire West and Chester
A1b	ICT	ICT support and delivery of applications and infrastructure	Cheshire West and Chester
A2	Pensions	Possibly separate legal entity and hence not part of Shared Service programme	Cheshire West and Chester
A3	Farms Estate		Cheshire East
A4	Civil Protection	Includes Emergency Planning and the approach to critical incident responses	Cheshire East
A5	Occupational Health		Cheshire West and Chester
A6	Archives	A single records office, which includes local studies	Cheshire West and Chester
A7	Youth Offending Team	Could be transitional not long term	Cheshire East
A8	Libraries	Includes specialist and support services	Cheshire West and Chester
A9	Emergency Out Of Hours Support	Provides out of hours cover for Adults and Childrens Services in case of incidents	Cheshire West and Chester
A10	International Unit		Cheshire East
A11	Waste Disposal Contracts and PFI	Possibly separate legal entity and hence not part of Shared Service programme	Cheshire West and Chester
A12	Extra Care Housing	Possibly separate legal entity and hence not part of Shared Service programme	Cheshire East
A13	Learning Disability Pooled Budgets		Cheshire East
A14	Rural Touring Network		Cheshire East
A15	Approved Mental Health Professional		Cheshire West and Chester

Original list of services proposed to be shared under transitional arrangements

Ref	Name	Description	Proposed Host
B1	Inclusion & Education		Cheshire West and Chester
B2	Autism Support		Cheshire West and Chester
B3	Sensory Impaired Service		Cheshire East
B4	Urban Traffic Control		Cheshire West and Chester
B5a	Highways & Geographical Laboratory Service		Cheshire West and Chester
B5b	Highway and Vehicle Maintenance Contract		Cheshire West and Chester
B6	Transport Coordination	Includes: - concessionary fares (could be long-term) - public transport network - home to school transport - SEN transport	Cheshire West and Chester
B7	Childcare Strategy	Includes Early Year Reform change elements only	Cheshire West and Chester
B8	Childrens Centres Development Programme		Cheshire West and Chester
B9	Schools Adminssions	Includes Appeals service	Cheshire West and Chester
B10	School Transport Policy	Policy, not a service so can be removed from list	n/a
B11	Student Finance		Cheshire West and Chester
B12	Support Services for Schools		Cheshire West and Chester
B13	Outdoor Education		Cheshire West and Chester
B14	Archeological Service		Cheshire West and Chester
B15	Drug and Alcohol Action Team	could be longer term shared service	TBD
B16	Commissioned Community Equipment Service		Cheshire East
B17	Learning Resource Network		Cheshire West and Chester

B18	Cheshire Domestic Abuse Partnership		Cheshire East
B19	County Contact Centre		Cheshire East
B20	Visual Impairment Service		Cheshire East
B21	Shared Property & Equipment	Is this required?	Cheshire West and Chester
B22	NVQ Assessment Centre		Cheshire East
B23	Mineral and Waste Planning		Cheshire West and Chester
B24	Cheshire & Warrington Partnership	Could be separate legal entity	
B25	Cheshire & Warrington Enterprise Partnership	Could be separate legal entity	
B26	Weaver Valley Enterprise	Could be separate legal entity	

