



# Shared Services Joint Committee

## Agenda

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**Date:** Friday 2nd October 2015

**Time:** 2.00 pm

**Venue:** Room G2 - Wyvern House, The Drummer, Winsford, CW7 1AH

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

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

**1. Appointment of Chairman**

To appoint a Chairman for the Shared Services Joint Committee for the 2015-16 Municipal Year

**2. Appointment of Vice Chairman**

To appoint a Vice-Chairman for the Shared Services Joint Committee for 2015-16 Municipal Year

**3. Membership**

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

Cheshire East Council  
Councillor David Brown  
Councillor Paul Findlow  
Councillor Peter Groves

Cheshire West and Chester Council  
Councillor David Armstrong  
Councillor Paul Donovan  
Councillor Louise Gittins

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

**Contact:** Rachel Graves

**Tel:** 01270 686473

**E-Mail:** [rachel.graves@cheshireeast.gov.uk](mailto:rachel.graves@cheshireeast.gov.uk)

4. **Apologies for Absence**

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

5. **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.

6. **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.

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

To approve the minutes of the meeting held on 27 March 2015

8. **Shared Services Performance Outturn 2014-15 and Business Plan Review 2015-16** (Pages 5 - 34)

To consider a joint report of the Chief Operating Officer, Cheshire East Council and the Head of Finance, Cheshire West and Chester Council on the remaining Shared Service, including both financial and non-financial performance over the period 2014-15

9. **Review of Remaining Shared Services and Joint Committee Work Plan 2015-16** (Pages 35 - 50)

To consider a joint report of the Chief Operating Officer, Cheshire East Council and the Head of Finance, Cheshire West and Chester Council on the direction of travel for the remaining shared services and the work plan for the current year

10. **Review of Occupational Health Services - Options for Future Service Delivery** (Pages 51 - 60)

To consider a report of the Head of Professional Services, Cheshire West and Chester Council on the options for the future service delivery

11. **CoSocius Service Review Update** (Pages 61 - 80)

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

**12. Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

**PART 2 - MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT**

**13. Councils' Contract with CoSocius**

Report to follow

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## SHARED SERVICES JOINT COMMITTEE

27 MARCH 2015  
(2.00 pm - 3.30 pm)**PRESENT:** Councillor Eveleigh Moore Dutton (Chairman)Councillors Barry Moran, David Brown and Peter Raynes and  
Lynda Jones

Apologies for absence were received from Councillor Lynne Riley

Officers in attendance:	Peter Bates Debbie Hall  Suzanne Antrobus Kath Brodie  Tracey Brown Eric Burt Jackie Gray	Chief Operating Officer Senior Manager - Financial Management Senior Lawyer Strategic Legal Manager, Property and Employment Democracy and Elections Officer Health and Safety Manager Corporate Manager, Business Intelligence and Data, Cheshire East Council
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**45 DECLARATIONS OF INTEREST**

No Declarations of Interest were made.

**46 MINUTES****DECIDED: That**

The Minutes of the meeting held on 27 February 2015 be approved as a correct record and signed by the Chairman.

**47 PUBLIC QUESTION TIME/OPEN SESSION**

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

**48 REVIEW OF OCCUPATIONAL HEALTH UNIT**

Members considered the report of the Head of Professional Services, (Cheshire West and Chester Council). The report outlined the options open for the future delivery of the service. It was highlighted that lack of resilience in service delivery and budget uncertainties were the main areas of concern.

Members expressed concern about the situation and discussed several issues including:

- Potential for the existing manager to lead transition into an alternative delivery model e.g. staff mutual
- Declining schools buy-in and their alternative providers
- Need to put a contingency plan in place which could involve buying in from other providers on an ad hoc basis

The charging mechanism for schools was explained in detail and the alternatives that had been explored e.g. pay as you go. Members noted that

arrangements were in place to cover short term absences in the Unit through an external provider.

Members noted that the Unit Manager was actively pursuing schools that had sought OHU service elsewhere with a view to bringing them back to the shared service however, the success of this initiative would not be clear until about July 2015.

Members acknowledged that there was a need for a back-up plan to ensure that the Unit remained viable particularly as they recognised that moving to the private sector would potentially be more expensive. It was recognised that alternative delivery options had been looked at but these required more detailed financial appraisal and associated risks needed to be articulated more fully to enable a more informed view capable of demonstrating the advantages/disadvantages of each model.

Members requested to see more detail on alternative options and a model that would guarantee income to the Unit e.g. introduction of differential services (e.g. similar to gold/silver HR services offered to schools by Cheshire East)

Members acknowledged that internal restructuring of services in each Council had impacted on the OHU. It was also suggested that the impact of changes on existing external contracts with the OHU should be assessed. Members said that they needed to understand the preferred business model and the dynamics of this in terms of its ability to respond to ongoing change.

### **DECIDED: That**

the progress made regarding the review of the Occupational Health Services be noted and a further report containing recommendations be brought back to a future meeting of the Committee.

## **49 SHARED SERVICES UPDATE**

Members considered the report which provided a summary of the current position of the Shared Services arrangements between Cheshire East Council and Cheshire west and Chester Council. A summarised position statement on all shared services arrangements was appended to the report for Members information.

Members noted that just seven shared services operations remained and on the whole these continued to meet the needs of both Councils. It was now timely to assess the overall direction of travel for each of these arrangements to ensure that they remained viable and that they continued to meet the needs of each client moving forward. It was anticipated that the proposed discussions in each authority would be helpful in assessing the ongoing commitment to Shared Services and a report on the outcomes would be brought back to this Committee in due course

Members noted that the position statement and interim report on the current review activity aimed to ensure that the Joint Committee was up to speed

with recent developments concerning the remaining Shared Service arrangements.

**DECIDED: That**

- (1) the current position statement as detailed in Appendix 1 on the Shared Service arrangements between Cheshire East and Cheshire West and Chester Council be noted.
- (2) the proposal for each Council to review the viability of the remaining sharing arrangements for the foreseeable future be endorsed.
- (3) the proposal to reconvene an Officer/Member workshop to progress the Archives and Local Studies Accommodation and Service improvement project in late May/early June be endorsed.
- (4) the proposed developments regarding the Archaeology Planning Advisory Service be noted

### **50 COSOCIUS SERVICE REVIEW**

Members considered the joint report of the Head of Finance (Cheshire West and Chester Council) and the Chief Operating Officer (Cheshire East Council) which updated Members on the key activity taken place post the Committee meeting held on 27 February 2015.

It was noted that the contract with CoSocius represented a significant spend for each Council and the proposals contained within the report would ensure that the Councils received value for money for their taxpayers. The service reviews proposed in the report would ensure that the situation was continually monitored in a fast changing ICT environment.

Members requested further details about the recruitment of the Review Programme Team and if there was a potential to speed up the process. Chief Operating Officer (Cheshire East Council) gave assurances that the situation was not holding up the review activity but considered it was important to ensure that the right people were appointed.

Members requested clarification on the appointment of the Managing Director as it was recognised that this appointment was important to the ongoing stability of the CoSocius workforce. It was recognised that there was a need to get a message out to staff about the future commitment to CoSocius and that there was a need to develop a strategy/timeline to move the review forward.

Members supported the need for communication and suggested that Members from both Councils should visit CoSocius with a view to boosting moral. The fact that CoSocius and its people are a key asset needed to be articulated and it was important that this message was conveyed to all concerned.

**DECIDED: That**

the latest position with regard to the CoSocius service reviews be noted.

**51 ANY OTHER BUSINESS WHICH THE CHAIRMAN CONSIDERS URGENT  
THAT MAY BE DEALT WITH IN THE PUBLIC PART OF THE MEETING**

There were no items of urgent business brought forward.

Chairman .....

Date .....



## **CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL**

### **SHARED SERVICE JOINT COMMITTEE**

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**Date of Meeting:** 02 October 2015

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

**Subject/Title:** Shared Services Performance Outturn 2014-15 and  
Business Plan Review 2015-16

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#### **1.0 Report Summary**

- 1.1 This report provides a summary of the outturn position for the remaining Shared Service arrangements between Cheshire East Council (CE) and Cheshire West and Chester Council (CWaC). As such it includes both financial and non-financial performance over the period 2014-15.
- 1.2 The report indicates that there has been a general improvement in terms of both financial and non-financial performance. Six Shared Services have been rated as “Green” in terms of their overall performance with one (OHU) maintaining its “Amber” rating. However this represents an improvement on the position forecast at mid-year and is the best performance since the shared services were introduced in April 2009. For the forth year running the aggregated Shared Services are reporting an underspend against budgets. An overview of performance for 2014/15 is contained in Appendix 1 which also provides a summary of the challenges facing the Shared Services over the remaining period of the current three year plan.

#### **2.0 Decision Requested**

- 2.1 Recommended that the Shared Services outturn performance for 2014 -15 be noted.

#### **3.0 Reasons for Recommendations**

- 3.1 The Shared Services Administrative Agreement makes provision for the Joint Committee to receive outturn reports based on the information and measures contained in Shared Service Business Plans.
- 3.2 The Shared Services Performance Management Framework (PMF) has been developed over the past six years. As is currently stands it provides a good degree of rigour to regular business planning and performance monitoring with detailed reports being produced at mid year and outturn. Given the overall reduction in Shared Services and the resources to support overall governance it is considered that the current approach is sufficient to provide ongoing assurance that services are being planned and delivered to achieve stated objectives.

#### 4.0 Wards Affected

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

#### 5.0 Local Ward Members

- 5.1 Not applicable.

#### 6.0 Policy Implications including

- 6.1 None.

#### 7.0 Financial Implications

- 7.1 In 2013 three year business plans were produced for all remaining shared services to cover the period 2013 to 2016. Summaries of these plans were noted by the Joint Committee in June 2013. These have since been subject to annual review to ensure that they remain relevant and continue to meet the changing needs of each client.
- 7.2 At the 2014-15 outturn Shared Services are reporting an aggregated underspend of £449k. High level details of this position are provided below with a full breakdown of the financial position reported in paragraphs 11 to 16 with further details contained in Appendices 1 and 2.

2014-15	Mid Year review Projected Outturn £000	Budget  £000	Variance -Under / Over  £000
East cost	347	666	-319
West cost	471	601	-130
<b>Total Cost</b>	<b>818</b>	<b>1,267</b>	<b>-449</b>

- 7.3 **Cheshire East** - Within CE, there is a total underspend of £319k which relates to the underspends within Farms (£245k) and Archives (£48k) and Occupational Health (£20k) and Emergency Planning (£6k).
- 7.4 **Cheshire West and Chester** - The overall outturn figure is £130k underspend. As with Cheshire East, there are underspends within Farms (£37k), Emergency Planning (£21k) and Occupational Health (£10k) and Archives (£8k). In addition, there is an underspend within the Libraries Joint arrangement service of £52k.
- 7.5 Due to the reduced number of shared services and the level of budgets for these services, the Joint Committee agreed that finance updates are only reported twice yearly at Mid-Year and at Outturn, along with the performance measures. Therefore it is anticipated that the next finance update to the Joint Committee will be the Mid Year report around November 2015. However in

the event of any financial issues arising in the interim these will be reported at the earliest opportunity.

### **8.0 Legal Implications**

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

### **9.0 Risk Management**

- 9.1 The Shared Services Business Planning process requires that all Managers undertake a risk assessment in developing business plans. These were reviewed when three year business plans were developed for the period 2013-16. These business plans have recently been reviewed to ensure that the risks remain relevant to ongoing service delivery. Any high risks arising from this process will be considered by the Joint Officer Board to assess if they need to be recorded on the Shared Service Strategic Risk Register.

### **10.0 Background and Options**

- 10.1 All Shared Services are underpinned by formal legal arrangements and business plans providing details of the Shared Service operation, objectives and investment. These require a degree of flexibility to enable an appropriate response to the changing needs of each council. Business Plans for 2013-16 set out the measures by which the Shared Services' performance has been assessed.
- 10.3 This report provides an overview of Shared Services performance and finances for 2014-15, the sixth year of operation and looks forward to the next 12 months of service delivery to CE and CWAC as highlighted in recently revised Business Plans setting the direction for 2015-16.

### **11.0 Performance Outturn 2014-15**

- 11.1 This report summarises the current forecast outturn position at outturn for the current formal Shared Services for 2014-15.
- 11.2 Currently there are seven remaining Shared Services (six CWAC-hosted, one CE-hosted). Four are shared services where total costs are split against an agreed % cost share agreement as set out in formative Legal Agreements:

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

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

- Rural Touring Network (Grant funded)

- Archaeological Planning and Advisory Services (Transfer Agreement)
- Libraries (Transfer Agreement)

11.2 The table below provides headline indicator for overall performance for each of the above. This is based on progress against service objectives, performance against budget and national and local indicators as set out in Shared Service Business Plans for 2014-15. Current performance is set against historic performance to provide an indication of direction of travel for each shared service.

11.3 An assessment of improvement against baseline performance (where available) and targets, has been made to provide an indication of the direction of travel for each indicator. A RAG rating (Red / Amber / Green) has been applied to provide a judgement of overall performance based on these two elements. This suggests that six of the remaining shared services are performing well (Green) with one – OHU, maintaining an Amber rating i.e. mixed performance. This is an improvement on the mid-year point when a slightly less favourable position was reported, as outlined below:

**Table 1**

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

11.3 As far as possible each service have provided comparative performance against annual targets and the previous year's performance together with improvement targets for the current and following year.

11.4 It is acknowledged that the performance management framework (PMF) surrounding Shared Services could be more sophisticated than it currently is however any effort and resource to do this needs to be balanced against the potential benefits that this might deliver particularly given the overall reduction in Shared Service arrangements.

11.5 It is considered that as it stands the PMF is sufficiently robust for the residual Shared Services in that it provides for a regular assurance that services are being delivered to plan and targets are being met. It is therefore recommended that the current approach be maintained for the foreseeable future.

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

**12.0 Farms Estate**

**Outturn Budget Position: £242k U**

- 12.1 Overall the Farms Shared Service is forecast to be £282k underspent largely attributable to the performance against budget of the East estate (-£245k), which is at a level similar to past years and consistent with the strategic policy objective of improving financial performance consequent on changing the structure of the estate i.e. a reducing number of maintainable properties per unit area. Progress on restructuring the CE estate was initially slow but this gathered pace in the year and is now generally on target with enhanced levels of receipts expected.
- 12.2 The small underspend for Cheshire West was predicted accounting for significant levels of disposals in 2014-15 which are ahead of target. Additional income has also been secured linked to the Single Farm Payments Scheme.
- 12.3 Work has been undertaken during the year to make the Farms Estate management costs more transparent. These were £54k underspent at outturn due to vacancy management and utilising consultancy support in the short to medium term.

**13.0 Emergency Planning**

**Outturn Budget Position: £27k U**

- 13.1 This Service has co-ordinated the response to 20 incidents in 2014-15 including 2 Major Incidents and 6 Major Incident Standbys. It has performed well in delivering the service in line with planned targets, has led both authorities' response to the Ebola crisis, and set-up flood grant schemes for residents and businesses impacted by flooding in 2013-14.
- 13.2 The end of year budget showed an under spend of £27k which can be attributed to a budget carry forward from CWaC (£11k) to finance new computer software which in the event was not required, some minor underspends and grant income.

**14.0 Occupational Health**

**Outturn Budget Position: £30k U**

- 14.1 Staffing issues continue to impact on the performance of the Unit although there has been some intermittent improvement when waiting times have been reduced resulting increased customer satisfaction. Requests for appointments declined and consequently client demand has been more manageable. Given this situation proposals to find a supply partner were temporarily suspended. The financial outturn (£30k u) has improved on the overspend forecast at mid-year as several schools (particularly in CWaC) returned to buying back services but this level of income cannot be guaranteed in future years. Whilst the overall performance of the OHU has improved the vagaries of the staffing situation mean that this may not be sustainable and therefore the resilience of the OHU remains questionable and therefore the exploration of alternative delivery models has been reinstated.

**15.0 Archives and Local Studies      Outturn Budget Position: £56k U**

- 15.1 In 2014-15 the key focus for the Service was progressing the Archives Accommodation Project and saw the completion of a feasibility study, a comprehensive public consultation exercise and a Member workshop to explore their ambitions for future service delivery. Several other initiatives were undertaken to improve access to the Archive through improved outreach activity and digitisation of schools and asylum records. Over 2,300 people participated in these events and there were almost 1.5 million visits to the services website. The Cheshire Archive continues to be highly rated by its customers realising a score of 9.3 out of 10 on a national scheme. The financial outturn is favourable (£56k U) but this can largely be attributed to an imbalance of budgets between CE and CWAC which will be addressed in 2015-16.

**16.0 Joint Arrangement services**

- 16.1 The aggregated financial position for the Joint Arrangement (shared) services (Libraries SS, APAS and RTA) is a £54k underspend.
- 16.1 The Libraries Shared Service is demonstrating increased efficiency by delivering to plan against a backdrop of further staff reductions and restructuring within CWaC0000. The key focus for 2014-15 was the procurement and installation of a new library management system to support front line delivery in CE and CWAC in the anticipation of savings being delivered in 2015-16. Buy Back from the Education Library Service has improved in CWaC and this accounts for the £52k underspend against budget.
- 16.2 The Archaeology Planning Advisory Service (APAS) continued to be provided effectively during 2014/15 whilst a review and appraisal of future service delivery options was completed. The outcomes of the review process and recommendations were reported to and approved by the Joint Officer Board during February 2015. APAS will be incorporated within the CWAC Total Environment Service area and where appropriate, aligned with its broader business planning and Service development objectives. Delivery via a Shared Service model will continue for 2015/16 subject to an ongoing review of alternative delivery mechanisms. The financial outturn position for 2014/15 is balanced.
- 16.3 The Rural Touring Arts Network is delivering to plan with audience ratings and efforts to increase promotional activity via social media already above target. The financial position is balanced.

**17.0 Moving Forward**

- 17.1 Business Plans for the remaining Shared Services were produced in 2013 to cover the period up until March 2016. These have recently been reviewed to ensure that they continue to meet the needs of the Cheshire East and Cheshire West and Chester Councils going forward. Appendix 1 highlights key areas of focus for 2015-16 for each Service including:

- Continuing the Archives Accommodation Project to establish a shared vision to inform bids to secure internal and external funding;
- Introducing on-line payment facilities for Library users to increase efficiency and customer satisfaction
- Completion of OHU review activity to establish a resilient and appropriate delivery model for services to both Councils
- Ongoing delivery of Client Strategies for Farms Estates
- Implementation of recommendations of the Archaeology Planning Advisory Service and a new legal arrangements agreed by 31 March 2016.

### 14 Conclusion

14.11 There has been some overall improvement in the performance of the remaining Shared Services with six receiving a Green RAG rating and just one Amber rating. This demonstrates an improved position on the previous year (based on their performance against stated objectives). Budget performance has improved across the board from the mid year point and this is reflected in the overall position. However it is evident that ongoing staffing issues in OHU are affecting the unit ongoing resilience and as a consequence this continues to have an adverse impact on performance.

14.2 The overall approach to performance management is embedded and as it stands it is considered that this is sufficiently robust for this level of service. Over the next 12 months it is anticipated that the number of shared service operations may reduce further if alternative delivery models are agreed for OHU and APAS. In this event it will be timely to reconsider if the current approach to planning and performance is appropriate for the remaining shared operation going forward or if adjustments are required ahead of the 2016-19 planning cycle.

### 15 Access to Information

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

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

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

*Tel No: 01270 686013 / 01244 977830*

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

*Documents are available for inspection at:*

*Cheshire East Democratic Services or  
Westfields  
Middlewich Road  
Sandbach  
CW11 1HZ*

*Cheshire West & Chester Democratic  
Services  
HQ Building,  
Nicholas Street,  
Chester CH1 2NP*

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## SHARED SERVICE OUTTURN PERFORMANCE REPORT 2014-15: SUMMARY

## Appendix 1

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

SERVICE		SUMMARY OF PERFORMANCE	Overall Rating 2012-13	Overall Rating 2013-14	Mid Year Rating 2014-15	Overall Rating 2014-15
A03	Farms Estate	The main areas of activity outside of day to day estate management and the associated budgets are restructuring the CEBC Estate and disposals for both authorities. Progress on restructuring the CEBC Estate has been slow up to 2014/15 impacting on the rate of disposals from the CEBC estate but it has gathered momentum in year and is now generally on target with enhanced levels of receipts expected over the totality of the strategy. Disposals activity on the CW&CBC Estate in year was significant and ahead of profile / business plan targets. Budget for the shared service management costs was £54k underspent at outturn recognising underspend on the employee budget in lieu of bought in consultancy in the short to medium term.	G	A	G	G
A04	Emergency Planning	This Service has co-ordinated the response to 20 incidents in 2014-15 including 2 Major Incidents and 6 Major Incident Standbys. It has performed well in delivering the service in line with planned targets, has led both authorities' response to the Ebola crisis, and set-up flood grant schemes for residents and businesses impacted by flooding in 2013-14. The end of year budget showed an under spend of £?K. In summary, the team has performed strongly during 2014-15 increasing preparedness and resilience levels across both authorities.	A	G	A	G
A05	Occupational Health	Staffing issues continue to impact on the performance of the Unit although there has been some intermittent improvement when waiting times have been reduced resulting increased customer satisfaction. Requests for appointments declined and consequently client demand has been more manageable. Given this situation proposals to find a supply partner were temporarily suspended. The financial outturn (£30k u) has improved on the overspend forecast at mid-year as several schools (particularly in CWaC) returned to buying back services but this level of income cannot be guaranteed in future years. Whilst the overall performance of the OHU has improved the vagaries of the staffing situation mean that this may not be sustainable and therefore the resilience of the OHU remains questionable and therefore the exploration of alternative delivery models has been reinstated.	A	A	A	A

SERVICE		SUMMARY OF PERFORMANCE	Overall Rating 2012-13	Overall Rating 2013-14	Mid Year Rating 2014-15	Overall Rating 2014-15
A06	Archives	In 2014-15 the key focus for the Service was progressing the Archives Accommodation Project and saw the completion of a feasibility study, a comprehensive public consultation exercise and a Member workshop to explore their ambitions for future service delivery. Several other initiatives were undertaken to improve access to the Archive through improved outreach activity and digitisation of schools and asylum records. Over 2,300 people participated in these events and there were almost 1.5 million visits to the services website. The Cheshire Archive continues to be highly rated by its customers realising a score of 9.3 out of 10 on a national scheme. The financial outturn is favourable (£56k U) but this can largely be attributed to an imbalance of budgets between CE and CWAC which will be addressed in 2015-16.	A	G	G	G
A08	Libraries Specialist Support	The Libraries Shared Service is demonstrating increased efficiency by delivering to plan against a backdrop of further staff reductions and restructuring within CWaC. The key focus for 2014-15 was the procurement and installation of a new library management system to support front line delivery in CE and CWAC in the anticipation of savings being delivered in 2015-16. Buy Back from the Education Library Service has improved in CWaC and this accounts for the £52k underspend against budget.	A	G	G	G
A14	Rural Touring Network	The Rural Touring Arts Network is delivering to plan with audience ratings and efforts to increase promotional activity via social media already above target. The financial position is balanced.	G	G	G	G
B14	Archaeology Planning Advisory Service	Services continued to be provided effectively during 2014/15 whilst a review and appraisal of future service delivery options was completed. The outcomes of the review process and recommendations were reported to and approved by the Joint Officer Board during February 2015. APAS will be incorporated within the CWAC Total Environment Service area and where appropriate, aligned with its broader business planning and Service development objectives. Delivery via a Shared Service model will continue for 2015/16 subject to an ongoing review of alternative delivery mechanisms. The financial outturn position for 2014/15 is balanced.	A	G	G	G

#### RAG Rating

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

## A03 Farms Estate Outturn Performance 2014-15

Overall Rating:

G

**Service Manager:** David Job

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

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

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

### Key Achievements 2014-15

- Capital receipts of £7.5m achieved across both estates

### Outturn Budget Position 2014-15

Farms	Total -£282k under	CE -£245k under	CWAC £37k under
Within CE, lower maintenance costs have resulted in the underspend of £245k and within CWaC, a strategic decision has been taken to dispose of the Farms Estates with capital receipts being reinvested back into CWaC asset base. In 2014-15 the Farms Service delivered additional income linked to the Single Farm Payments scheme.			

## A03 Farms Estate Outturn Performance 2014-15

CHESHIRE FARMS SHARED SERVICE - SERVICE MANAGEMENT COSTS ANALYSIS as at 31/3/2015													
					CHESHIRE EAST				CHESHIRE WEST				
					Budget	Forecast	Actual	Variance Actual to Budget	Budget	Forecast	Actual	Variance Actual to Budget	
Total Service Management Costs (Employees/Training/Expenses/Supplies & Services)					£ 120,543	£ 64,312	£ 64,312	£ 56,231	£ 84,957	£ 83,353	£ 83,353	£ 1,604	
					Non Geographically Specific Costs £				TOTAL				
					Budget	Forecast	Actual	Variance Actual to Budget	Budget	Forecast	Actual	Variance Actual to Budget	
Total Service Management Costs (Employees/Training/Expenses/Supplies & Services)					£ 2,842	£ 6,187	£ 6,187	-£ 3,345	£ 208,342	£ 153,852	£153,852	£ 54,490	
					CEBC	CW&CBC	Total						
					No of Properties	69	52	121					
Division of forecast management costs based upon number of properties.					£ 87,733.79	£ 66,118	£ 153,852						
Indicative Breakdown Of Management Costs By Activity					CEBC		CW&CBC			Total			
Disposals Activity					Forecast	Actual	Forecast	Actual		Forecast	Actual		
Capital Receipts					£ 2,680,000	£ 1,128,500	£ 5,070,000	£ 6,415,654		£ 7,750,000	£ 7,544,154		
Management Cost Allocated To Disposals Activity (Capital Receipts x 0.50%)					£ 13,400	£ 5,643	£ 25,350	£ 32,078		£ 38,750	£ 37,721		
Interim Managed & Non Farms SFP income													
Interim Managed & Non Farms SFP income					£ 98,650	£ 98,650	£ 32,091	£ 32,091		£ 130,741	£ 130,741		
Management Cost Allocated To Interim Managed & Non Farms SFP Activity @ 10% of income					£ 9,865	£ 9,865	£ 3,209.10	£ 3,209.10		£ 13,074	£ 13,074		
Farms Management Activity													
Cost Of Farms Management Activity (Total Management Costs Less Disposals & Interim / Non Farms Management Costs)					£ 64,468.79	£ 72,226.29	£ 37,559.11	£ 30,830.84		£ 102,028	£ 103,057		
Cost Of Farms Management Activity Expressed as a % of Total Farms Estate Income					9.76%	10.94%	5.87%	4.82%		8.55%	7.93%		
Total Service Costs													
Total Service Management Costs By Authority					£ 87,734	£ 87,734	£ 66,118	£ 66,118		£ 153,852	£ 153,852		
Total Cost Expressed as % of Total Generated Income (Excluding Capital re					11.56%	13.28%	11.71%	9.85%		13%	10.75%		

## Delivery Plan 2015-16

To continue delivery of client strategies for Farms Estates

## A04 Emergency Planning Outturn Performance 2014-15

Overall Rating:

G

**Service Manager** Chris Samuel

The overarching aim of the Shared Emergency Planning Service is to ensure that both Cheshire West and Chester Council, and Cheshire East Council, have the capability to respond effectively and efficiently to any major emergency in support of their communities, and the multi-agency response.

The service has 7 staff (3 CWaC and 4 CE) with six officers based in Chester and one in Sandbach. The service had a budget of £341K this year, which included £23K income generated through cost recovery for work performed under COMAH, REPIR and PSR legislation, and a temporary CWaC £11K carry forward for the potential procurement of incident management systems software. The budget for 2014-15 reflected a 24% efficiency saving made in 2012-13. The Service is currently responsible for the preparation and testing of the off-site emergency plans for 18 top-tier COMAH (Control of Major Accident Hazard) sites, 1 nuclear facility and 600kms of Major Accident Hazard Pipelines.

### Key Achievements 2014-15

The team continues to perform well and has responded to 20 incidents since April 2014 – these have included 2 Major Incidents and 6 Major Incident Standbys including fires in Crewe, several closures of the M56 and M6, potentially toxic chemical drums in Macclesfield, a chlorine release in Winsford and heavy snow across both authorities. The Service has also provided both authorities' ongoing support to the multi-agency planning for the current Ebola crisis, as well as taken the lead in regards to communications and preparedness for the ongoing industrial action by the Fire Brigades Union.

The Joint Emergency Planning Liaison Board (JEPLB) continues to meet twice per year providing strategic guidance, direction and advice to the Shared Service as well as monitoring and reviewing operational and financial performance. Plans to transfer Shared Service governance arrangements to the JEPLB did not come to fruition due to its not being a formally constituted body.

The Team also led on the delivery of three large, multi-agency events focusing on Passenger Vessel Emergencies, Disruption to Water Supplies, and Multi-Agency Emergency Response & Recovery.

### Outturn Budget Position 2014-15

Civil Protection – Emergency Planning	Total -£27k under	CE -£6k under	CWAC -£21k under
The Emergency Planning service shares all costs with Cheshire East on a 50:50 basis. There is a variance in budgets which is mainly due to the CWAC budget including a carry forward of £11k from 2013-14. This was to be used for a new computer software system for the management of emergency responses but alternative systems were found so the additional budget was not required. The remaining underspend was achieved through other minor underspends and grant monies received.			

## A04 Emergency Planning Outturn Performance 2014-15

Measure		Responsible Officer	Split	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Target	2014-15 Actual	Comments on 2014-15 Performance
EPM1	Overall delegate satisfaction with training events (i.e. very good, good, satisfactory)	Suzanne Pritchard				100%	100%	100%↑	<p>The Service has completed 8 Emergency Management Workshops (5 in CWaC, 3 in CE) and 7 Introduction to Emergency Planning Workshops in 2014-15.</p> <p>The team also ran bespoke training events for Services in CE, Member training events in CE and CWaC, an Emergency Rest Centre Workshop and Incident Support Staff events.</p> <p>All events have been well received. We are also looking at ways of increasing attendance at the officer training events.</p>
EPM2	Statutory plans delivered within agreed timescale	Chris Samuel	Overall	100%	95%	100%	100%	100%↑	<p>All COMAH, REPIR and PSR plans are currently within agreed ONR and HSE timescales.</p> <p>The Service co-ordinated delivery of the REPIR Level 2 Exercise 'Cypress', which took place on the 9<sup>th</sup> April 2014 to test the Off-Site Plan for Urenco Capenhurst and involved over 200 multi-agency personnel.</p> <p>7 COMAH Off-Site Plans were reviewed including GrowHow (Ince) and Storengy (Middlewich) and 2 new Off-Site Plans prepared: HW Coates (Byley) and Warehouse One (Winsford).</p> <p>6 COMAH exercises have also been delivered including for the sites at Innospec (Ellesmere Port) and EDF (Warrington).</p>
EPM3	Awareness of civil Protection arrangements in local areas	Chris Samuel	Overall	16.1%					<p>Overall, scores from both authorities most recent surveys (CE - August 2013, CWaC – 2011) have shown an upward trend which compares favourably at a national level. The future regards this PI is as follows:</p> <ul style="list-style-type: none"> <li>CE – results from the next Citizens Panel</li> </ul>
			CE	14.0%	N/A	22%	25%	N/A	
			CWAC	18.2%			-		

									<p>should be available by year end.</p> <ul style="list-style-type: none"> <li>CWaC – there are no current plans to run another Community Survey as public views are sought by the authority in different ways now. The Service will look for new methods on how we can measure this area moving forward.</li> </ul> <p>The Service continues to work with partners to implement the Cheshire Resilience Forum Public Awareness Raising Strategy (2014-17). A key strand of this year's Action Plan was to make Emergency Pocket Leaflets available to the public at CFRS Fire Station Open Days across the CRF area as well as at a number of larger events including the Cheshire Show. This strategy saw approximately 1500 leaflets being snapped up by the public across 9 events.</p>
EPM4	Major Incidents/ Major Incident Standbys responded to by Duty Emergency Planning Officer within appropriate timescales.	Chris Samuel	Overall	100%	100%	100%	100%	100%	20 incidents responded to in 2014-15 (see above).
EPM5	Partner agencies overall satisfaction with councils support of LRF activities and projects	Chris Samuel		Not completed	Not completed	Not completed	-	-	This survey has not taken place at this stage due to competing business plan priorities.

## Delivery Plan 2015-16

The focus will remain on delivery of the Services key objectives:

- (1) Continued statutory off-site planning and exercising of industrial hazard plans,
- (2) Continued activities designed to increase general emergency preparedness levels across both authorities,
- (3) Continued emergency management training for Senior Managers, staff and Members,
- (4) Continue implementation of medium to long-term projects, which increase community resilience and emergency preparedness levels,
- (5) Design, consult on and implement an appropriate public information campaign for Trentabank/ Ridgeway Reservoir Off-Site Plan (Langley),
- (6) Lead on design and testing of a Multi-Agency Coastal Pollution Response & Recovery Plan for Cheshire Resilience Forum area, and
- (7) Continue participation in and co-ordination of Cheshire Resilience Forum (CRF) projects, planning, training and exercises.

In April 2015 co-ordination of Business Continuity Management activities at Cheshire East Council have transferred to the Authority's Risk Management Team. This change in approach follows the 2014 audit and internal discussions on where best to sit service delivery of this function moving forward.

## A05 Occupational Health Unit Outturn Performance 2014-15

Overall Rating:

A

**Service Manager:** Eric Burt

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

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

### Key Achievements 2014-15

During the first half of 2014, the Unit was under pressure due to the loss of a number of medical and admin staff at the end of 2013 / start of 2014. This led to service delivery problems and damage to the reputation of the Unit, particularly in Cheshire East where agency medical staff were used to run the patient clinics. However, a new OHU Manager was appointed in April 2014 and new medical staff have been appointed on a permanent basis. This has led to an improvement in the service and increased customer satisfaction levels. The OHU Manager has also instigated improvements which have resulted in a reduction in patient waiting times. However it remains questionable if these can be sustained in the longer term given the ongoing staffing situation

Following the challenges faced at the start of the year, a proposal to engage with a partner organisation was agreed by the Joint Committee and a tender was subsequently issued. However, the costs of engaging a partner at this time would cause the Unit to go into a sizeable overspend so with the staffing changes implemented since April, there is not the degree of urgency that there was in January. The resilience of the Unit has been improved with the appointment of a medical OHU manager who is able to step in and run clinics in the absence of one of the Occupational Health Advisers. There has also been a reduction in the demand for appointments with the loss of some customers and increased efficiency of appointments. However, the Unit has very little resilience to either increases in service demand or loss of staff as it is too small to have staff who can cover for colleagues at short notice. The reality is that when a member of staff is absent through sickness, if the OHU Manager is unable to run the clinic then the clinic will be cancelled at short notice leading to disruption for patients, managers and HR staff. This also reflects badly on the reputation of the Unit so in 2015 / 16 Joint Committee Members will need to consider the future of the Unit and explore a number of options for future service delivery.

### Outturn Budget Position 2014-15

Occupational Health Unit (OHU)	Total -£30k under	CE -£20k under	CWAC -£10k under
Overall the service is underspend by £30k due to savings made on counselling fees and medical fees. A number of the schools thought not to be buying back the service bought back after the deadline, increasing the forecast income. All costs are split 50:50 and the variances between each authority is due to an imbalance in budgets which will be addressed in 2015-16.			



## 05 Occupational Health Unit Shared Service Outturn Performance 2014-15

Measure		Responsible Officer	2013-14 Actual	2014-15 Target	2014-15 Mid year	2014-15 Actual	Comments on 2014-15 Performance
1.2	Customer liaison either face to face, e-mail or telephone is maintained.	Eric Burt	95% of customers re-signed their contracts	All customers to re-sign their contracts	85% of external customers re-signed their contracts	85% of external customer s re-signed their contracts	8% reduction in income from schools, 27% reduction in income from external customers
2.1	The OHU Admin Team is restructured and achieves a budget reduction	Eric Burt	Achieved		Achieved	Achieved	
3.1	EOPAS is available to external customers	Eric Burt / ICT Project Officer	Project preparation work outlined	Use EOPAS for customer data	Data from EOPAS is available but the system cannot be directly accessed by external customers.	Put on hold as customer base has reduced	EOPAS statistics are available to external customers however the additional investment required to make this facility available is not available due to budget cuts and is not viable
4.1	Operate clinics at Sandbach and Chester as well as customer clinics as required	Eric Burt	On target	9 clinics per week in Sandbach and Chester	On target	On target	
5.1	Continual review of OHU policies and procedures to drive good practice and respond to national guidance	Eric Burt	On target		On target	All policies and procedure have been reviewed	OHU is registered for SEQOHS national accreditation. OHU has also applied to join COPHA (Commercial Occupational Health Providers Association)

Measure		Responsible Officer	2013-14 Actual	2014-15 Target	2014-15 Mid year	2014-15 Actual	Comments on 2014-15 Performance
7.1	Reduce waiting times – % of appointments confirmed within 5 Working days	Eric Burt	100%	100%	100%	100%	All appointments are triaged with an appointment given within 5 days (maximum)
	Number of working days from referral to appointment		100%	100%	On target	On target	A new text messaging service is being trialled to get appointment information to patients quicker
	Improve turn-around of reports to managers.		100%	100%	On target	On target	All reports to managers are sent usually within 1 day but within 2 days if there are complications
7.2	Maintain regular meetings with HR clients in each Council – quarterly meetings	Eric Burt	On hold during 2013 but resumed in 2014	Reinstate formal meetings with both clients	On target	On target	Formal meetings with East and informal meetings with West have been initiated and are on-going on the basis that these will be formalised before year end
7.3	Support clients to improve HR policies and procedures regarding management of absence, grievance, discipline etc	Eric Burt	Achieved		Achieved	Achieved	Regular liaison with HR in East and West

### Delivery Plan 2015-16

- Completion of OHU review activity to establish a resilient and appropriate delivery model for services to both Councils by September 2015
- Implement Phase 2 of EOPUS roll out to enable client access to appointments data

## A06 - Archives and Local Studies Outturn Performance 2014-15

Overall Rating:

G

**Service Manager** - Paul Newman

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

The service is responsible for:

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

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

### Key Achievements 2014-15

- A major project to identify more suitable accommodation for the Cheshire Archive commenced. A feasibility study into potential sites was completed and a public consultation exercise undertaken to inform further discussion about the future location of the Archive. Three potential locations were identified prior to the purdah period being imposed prior to the local elections.
- Digitisation of school and asylum archives to enhance access to archive collections; digitisation of 'absent voters' lists and photographs as part of contribution to First World War commemoration programme.
- Began review of Local Studies provision in Cheshire East libraries, as part of the Library Service's Sustainable Libraries programme, to ensure that local provision of service within libraries is fit for purpose and serving needs of its customers in libraries
- 57 outreach activities delivered across Cheshire West, Cheshire East, Warrington and Halton. 2348 people participated in these workshops, talks, open days, etc, which brings the service to a more local audience across all the boroughs which fund it.
- Almost 1.5 million visits to service's website or to collections made available through commercial partner's website.
- Service highly rated by its customers in national Survey of Visitors to British Archives, with an overall score of 9.3/10.

### Outturn Budget Position 2014-15

Archives	Total -£56k under	CE -£48k under	CWAC -£8k under
Overall the service is underspent by £56k but the variances between CE & CWaC are due to an imbalance of budgets which will be addressed in 2015-16. All costs are split 50:50.			

## A06 - Archives and Local Studies Outturn Performance 2014-15

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Target	2014-15 Mid Year	2014-15 Actual	Comments on 2014-2015 Performance
ALS-003	Level of customer satisfaction as measured in PSQG survey	Paul Newman	100%	98%	98%	-	9.3	Method of 'scoring' service overall changed. This is an average of customers' scores out of 10. UK average 9.2
ALS-004	Net expenditure per '000 population in CIPFA Archive service statistics (b)	Paul Newman	Lowest quartile	Lowest quartile	Lowest quartile	Lowest quartile	Lowest quartile	40th out of 42 local authority archives services (£0.32 per capita)
ALS-005	SLA with Halton and Warrington Borough Councils	Paul Newman	As is	As is	As is	As is	Maintained	
ALS - 006	Increase in use of online resources as measured in website visits	Paul Newman	200,000	1.4 million	1.5 million	826,277	1,434,139	Web statistics tools have changed in 2015 and therefore these statistics may not be directly comparable. Fall seems most likely to be down to 12% drop in visits to commercial partner's website.
NEW ALS-007	Archives Accreditation Scheme - achieve accredited status (Replaces ALS 001 and 002)	Paul Newman	-	-	-	-	Application in progress	National Archives' accreditation panel meeting Autumn 2015. Application being submitted to meet panel's timetable
NEW ALS-008	Percentage of new accessions of archives made available to customers within one month/3 months of receipt	Lisa Greenhalgh	N/A	-	50%/90%	86%/96%	83%/99%	Exceeding anticipated targets. New measure for 14/15 following review of collections management processes with aim of speeding up time taken to make new accessions available to customers.

## Delivery Plan 2015-16

- Continuing the Archives Accommodation Project to establish a shared vision to inform bids to secure internal and external funding;
- Consolidation of off-site storage and revised Disaster Recovery Plan in place
- Further digitisation of records and
- Delivery of "History Day" to raise awareness and increase usage of Archive services

## A08 Libraries Shared Service Outturn Perform 2014-15

Overall Rating:

G

### Service Manager Sue Eddison / Rachel Foster

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

There are a total of 35.32 FTE members of staff and a budget of £755,766, with two premises at Hartford Way, Chester and ELS at Browning Way, Winsford, two delivery vans at Hartford Way and one mobile and two delivery vans at ELS. .

The main focus for 2014-15 was the procurement and introduction of new library management systems for both clients and the ELS and it is anticipated that these will be fully embedded early in the new financial year.

ELS has increased buyback and income by marketing their services to Stockport as well as continuing to work with schools in Cheshire, Halton and Warrington.

Restructuring in CWAC provided an opportunity to review the LSS management structure which resulted in efficiency savings evident in the new financial year

### Outturn Budget position 2014-15

Libraries Shared Service	Total -£52k under	CE balanced	CWAC -£52k under
Cheshire East pays a fixed contribution to the LSS and do not incur any additional costs. CWaCs underspend position is due to increased buyback from schools for the Education Library Service.			

### Delivery Plan 2015-16

The budget for 2015-16 will be £698,765. The main focus will be to complete the implementation of the library management system for CE and CWAC libraries and work on the enhancements so as to ensure that the system is working effectively for library users and staff. The library management system at ELS will be implemented, leading to more efficient processes within the unit. The implementation of the public LMS should deliver revenue savings in 2015-16 which form part of the policy options for 2014-17. There will be a review of the LSS staff structure following the CWAC Places Restructure.

### A08 Libraries Shared Service Outturn Performance 2014-15

Measure		Responsible Officer	Split	2012-13 Actual	2013-14 Actual	2014-15 Target	2014-15 Mid Year	2014-15 Actual	Comments on 2014-15 Performance
LSS 001	Linked to delivery of Early Years Foundation Stage – gifting of Bookstart packs as a percentage of the target group	Sandra Evans	Overall	98%	91.9% of target group. 14,090 packs gifted	95%		96.85%	Target exceeded
			CE	98.35	89.33%			96.1%	
			CWAC	97.65	94.63%			97.6%	
LSS 002	Staffing Levels	Sue Eddison	Overall	38.5 FTE	36.28 FTE	No change in FTE	35.64 FTE	35.32 FTE	Slight reduction in staff due to a team member transferring to CWAC Libraries and post not being filled.
LSS 003	ELS Growth of client base	Sue Eddison	Overall	2% decrease in primary and special schools. 2% increase in secondary schools	3.75% decrease in primary and secondary schools. 0.23% increase in secondary schools	2% increase in income. Target £844,560	1.5% increase in the number of subscribing schools	3.7% increase in income £858,584 from schools	Target exceeded.
<b>LSS 004</b>	Delivery of new stock – time from new stock arriving from supplier to being despatched to libraries	Lexa Farthing	Overall		3.25 days	3 days	3 days	3 days	Target met
<b>LSS 005</b>	Stock orders from libraries submitted to supplier	Lexa Farthing	Overall		3 days	3 days	3 days	3 days	Target met
<b>LSS 006</b>	Interlending response times – item request placed and response sent to library	Lexa Farthing	Overall		53.4% within 3 days 31.8% 4 to 5 days 14.8% over 5days	85% of requests placed within 5 days	49.23% within 3 days. 31.49% 4 to 5 days 19.28% over 5 days	47.19% within 3 days. 29.45% 4 to 5 days. 23.35% over 5 days.	76.64% of requests placed with 5 days. Target not met, but more skills sharing within the unit should improve this figure for 2015-16.
<b>LSS 007</b>	Local ENQUIRE service – number of questions answered	Sue Eddison	Overall	6.9%	8.65% – 3213 questions answered	2% increase 3277 questions answered	1493 questions answered	3489 questions answered	Target exceeded. Systems Team working on the promotion of this service, particularly with the implementation of the new library management system

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

Overall Rating:

G

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

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

### Outturn Budget Position

Rural Touring Arts	Total Balanced forecast	CE balanced	CWAC balanced
CE pay a fixed contribution to CWaC for this service			

### Delivery Plan 2015-16

Key areas of Focus for the CRTA in 15/16 will be to:

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

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

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Target	2014-15 Mid year	2014-15 Actual	Comments on 2014-2015 Performance
RTA 1	Maintain quarterly meetings with Client Managers	Jen Henry / Claire smith	N/A	8	4	2	4	Meeting target achieved and mins of meetings available. The management meetings continue to provide important benchmarking and review opportunities for the scheme.
RTA 2	Maintain quarterly meetings with Cheshire Lancashire Partnership	Jen Henry / Claire smith	N/A	4	4	2	4	Meeting target achieved .Our close working partnership with Lancashire rural touring scheme has increased our shared programming and sharing of skills between the organisations.
RTA 3	% of audience rating performance as good or excellent	Jen Henry / Claire smith	97%	94%	90%	93%		We continue to exceed our targets in this area. Final figures for 14/15 spring season are still to be collated as the season only ended on 17 <sup>th</sup> May.
RTA 4	Number of youth venues identified and supported	Jen Henry / Claire smith	N/A	7	2	1	2	2 youth venues have taken a number of performances and workshops this year.
RTA 5	Number of venues maintained	Jen Henry / Claire smith	N/A	26	27	27	27	We have been able to maintain our core number of venues, and continue to also include other venues wishing to take work on a less permanent or trial basis
RTA 6	Number of Promoter meetings held p.a.	Jen Henry / Claire smith	N/A	Achieved	5	2	5	2 menu meetings have taken place each season (2 in autumn , 2 in spring) plus 1 annual promoters meeting in feb 15
RTA 7	Liaison with PANDA maintained	Jen Henry / Claire smith	N/A	Achieved	1 pitching event takes place Min of 2 Companies mentored Min of 2 companies	1 event took place Lingua franca booked 3 dates Little Pixie booked for 3	Pitching event took place. 2 companies booked onto scheme and 3 companies mentored	ACE council attendance at event and numbers of companies and stakeholders taking part increased by 20% Two mentored artists pitched work at the annual promoters day



					booked from past mentoring	dates Autumn of Han and Peter Kalu mentored		
RTA 8	Increase Facebook and Twitter activity and usage to promote events	Jen Henry / Claire smith	N/A	280 Facebook (+162=137% ) 201 Twitter (+ 89 = 79%)	280 face book 200 twitter	296 friends 219 twitter	304 Facebook friends 293 twitter followers	Exceeded targets with a slight increase – planned social media training in 15/16 will hopefully increase this by a further 10 %
RTA 9	Build a new RTA Website to promote events	Jen Henry / Claire smith	N/A	Not Achieved	Build a new website	On target for website to go live in Nov 14	Website built and live for spring 15 season	Official launch of the website will be part of the autumn 14 season
RTA 10	Audience Feedback collated to inform future programmes	Jen Henry / Claire smith	N/A	90% of events surveyed	90% of events Surveyed	90% events surveyed	90% events surveyed	New summary form developed which we hope is more user friendly
RTA 11	Annual Report issued	Jen Henry / Claire smith	N/A	Not Achieved	Write report	Not needed until end of year	End of year report is part of the Arts Council Annual reporting process to be completed by 5 <sup>th</sup> June	Report is on track to be completed by mid June

## B14- Archaeology Planning Advisory Service Performance 2014-15

Overall Rating at Outturn:

G

Service Manager: Jill Collens / Ian Hesketh

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

### Achievements 2014-15

During 2014-15 APAS has:

- Assessed 6925 planning applications for archaeological implications and provided archaeological advice on 218 applications.
- Provided built historic environment advice on 10 pre-application consultations and 36 planning applications in Halton.
- Monitored 64 schemes of archaeological fieldwork.
- Reviewed and/or amended 8% of the records in the Cheshire Historic Environment Record.
- Provided information from the Cheshire Historic Environment Record for 260 consultations.
- Received 54,480 search requests to Revealing Cheshire's Past, the public access version of the Cheshire Historic Environment Record

### Service Review

The service was reviewed in 2014 to consider the ongoing viability of the current service provision, the potential for future service delivery and the opportunities for increased efficiency through growth or retraction of service delivery.

The review process consisted of staff consultation, key stakeholder consultation with services users and national bodies such as English Heritage, public consultation and soft market testing.

### Key findings

Key findings from the consultation were:

- High levels of satisfaction with APAS and the advice provided across the four authorities served.
- Successful sub-regional working already in place – a good base on which to build for future service delivery.

- Good performance with a track record for budget efficiency and securing external funding.
- Limited market for externalisation and potential for conflict of interest.

### ***Recommendations***

Following approval of the review recommendations by the Cheshire West and Cheshire East Shared Service Committee on 27 February 2015, the Archaeology Planning Advisory Service will:

1. Be retained in-house in an enhanced form of the current sub-regional service, through closer partnership working with other heritage agencies.
2. Remain within the Total Environment Service.
3. Explore closer partnership working with Chester University, English Heritage and neighbouring authorities and income generation through project working.
4. Explore opportunities for income generation through introduction of charges for selected archaeological development management services.

### ***Future staffing structure***

The Service Manager post was deleted at the end of March 2015, with service management being transferred to the Total Environment Manager. The archaeological professional lead will devolve to the current Principal Development Management Archaeologist, who will still lead on development management. Other staff members will be: one development management archaeologist and two historic environment record officers. This new staffing structure was implemented from 1 April 2015.

### **Outturn Budget Position 2014-15**

<b>Archaeological Planning and Advisory Services</b>	<b>Total Balanced</b>	<b>CE balanced</b>	<b>CWAC balanced</b>
Cheshire East pay a fixed contribution to CWaC for this Service			

## B14- Archaeology Planning Advisory Service

Measure		Responsible Officer	2012-13 Actual	2013-14 Actual	2014-15 Target	2014-15 Mid Year	2014-15 Actual	Comments on 2014-15 Performance
ARC H001	% of number of records reviewed in the Cheshire Historic Environment Record per annum	Jill Collens / Ian Hesketh	30%	24%	5%	8.5%	8%	The actual figures in previous years have been influenced by the work carried out by 2 externally-funded project officers working on the Chester Urban Archaeological Database project. This project is now complete and so the 2014-15 mid year figures are a more accurate reflection of work levels
ARC H002	% of general enquiries to the Cheshire Historic Environment Record responded to within 15 working days	Jill Collens / Ian Hesketh	96%	98% ↑	90%	100%	99%	255 enquiries have been received and all have been processed within the target date
ARC H003	% of Farm Environment plan enquiries to the Cheshire Historic Environment Record responded to within 20 working days, according to agreed national service standard	Jill Collens / Ian Hesketh	96%	100%	100%	100%	100%	The number of enquiries relating to Farm Environment Plans has significantly reduced as this is the final year of the present scheme, prior to the introduction of the new scheme (NELMS) New agreements are scheduled to start in January 2016
ARC H004	% of archaeological development control advice provided within 21 working days.	Jill Collens / Ian Hesketh	100%	100%	100%	100%	99.5%	Advice on 218 development proposals has been provided to CWAC (88); CE (96), Halton (6) & Warrington (28).

### Delivery Plan 2015-16

The main focus will be to implement the recommendations arising from the Service Review and to have a new arrangement in place between the two authorities by 1 April 2015 whilst maintaining service delivery to both Councils.

								EAST COST SHARE + VARIANCE					WEST COST SHARE + VARIANCE						
Shared Service	Host	Outturn position 2014-15			Total Budget 2014-15 £	Total Variance £	U / O	East	Net Cost %	Budget £	Variance £	U / O	East Outturn Explanation	West	Net Cost %	Budget £	Variance £	U / O	West Outturn Explanation
		EAST	WEST	Total net cost															
		Actuals £	Actuals £	Total net cost £				Share of net cost £						Share of net cost £					
Shared Services - April to September																			
Farms Estate	CE	-903,225	10,959	-892,266	-610,306	-281,960	U	-485,423	54%	-240,634	-244,789	U	Lower maintenance costs have resulted in a favourable outturn in line with the position from 2013/14.	-406,843	46%	-369,672	-37,171	U	A strategic decision has been taken to dispose of the Farms Estates with capital receipts being reinvested back into CWC asset base. In 2014/15 the Farms Service delivered additional income linked to the Single Farm Payments scheme
Civil Protection (Emergency Planning)	CWAC	146,352	146,352	292,704	319,841	-27,137	U	146,352	50%	152,549	-6,197	U	The Emergency Planning service shares all costs with Cheshire East on a 50:50 basis. The underspend was achieved through minor underspends and grant monies received.	146,352	50%	167,292	-20,940	U	The Emergency Planning service shares all costs with Cheshire East on a 50:50 basis. The CWAC budget includes a carry forward of £11k which was for a new computer software system for the management of emergency responses but alternative systems were found so the additional budget was not required. The remaining underspend was achieved through other minor underspends and grant monies received.
Occupational Health	CWAC	-34,339	144,750	110,411	140,517	-30,106	U	55,206	50%	75,751	-20,545	U	The underspend is due to savings made on counselling fees and medical fees . A number of the schools thought not to be buying back the service bought back after the deadline, increasing the forecast income.	55,206	50%	64,766	-9,560	U	The underspend is due to savings made on counselling fees and medical fees . A number of the schools thought not to be buying back the service bought back after the deadline, increasing the forecast income.
Archives	CWAC	238,539	110,141	348,680	404,497	-55,817	-	174,340	50%	221,889	-47,549	U	Underspend variance due to imbalance of budgets between CE & CWAC	174,340	50%	182,608	-8,268	U	
Joint arrangement services																			
Libraries	CWAC	361,997	378,064	740,061	791,689	-51,628	-	361,997	-	361,997	0	-	East pay a fixed contribution to West and do not incur any additional costs	378,064		429,692	-51,628	-	West underspend position due to increased buyback from Schools for Education Library Service
Rural Touring Network	CWAC	12,480	12,875	25,355	25,422	-67	-	12,480	-	12,480	0	-	East pay a fixed contribution to West and do not incur any additional costs	12,875		12,942	-67	-	A balanced budget has been achieved
Archaeology Planning and Advisory	CWAC	81,636	111,170	192,806	195,442	-2,636	-	81,636		81,636	0	-	East pay a fixed contribution to West and do not incur any additional costs	111,170		113,806	-2,636	-	A balanced budget has been achieved
TOTAL		-96,560	914,311	817,751	1,267,102	-449,351	U	346,588		665,668	-319,080			471,164		601,434	-130,270		

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## **CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL**

### **SHARED SERVICE JOINT COMMITTEE**

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**Date of Meeting:** 02 October 2015

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

**Subject/Title:** Review of Remaining Shared Services and Joint  
Committee Work Plan 2015-16

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#### **1.0 Report Summary**

- 1.1 At 1<sup>st</sup> April 2009, Cheshire East Council (CE) and Cheshire West and Chester Council (CWaC) continued to share 32 services post LGR. These arrangements were set out in formal legal agreements supported by a robust governance framework which has overseen the majority of the shared services transition to alternative models of delivery.
- 1.2 Currently just seven Shared Services remain and it is therefore timely to re-examine these arrangements to ascertain if they remain appropriate to the ambitions of both partners going forward and to ensure that the supporting governance arrangements continue to meet future needs. This report outlines the direction of travel for the remaining shared services and provides a work plan for the current year.

#### **2.0 Decision Requested**

- 2.1 That the recommendations for each of the remaining shared services as set out in Paragraph 11.1, Table 1 be approved, and:
- 2.2 That the Shared Services Joint Committee Work Plan 2015-16 be noted.

#### **3.0 Reasons for Recommendations**

- 3.1 The overall Shared Service operation between CE and CWaC has reduced considerably since their inception. A review has been undertaken by the Joint Officer Board (JOB) who have assessed the ongoing direction of travel for those that remain and this suggests that there will be further reduction in shared arrangements over the next 12 months.
- 3.2 The work of the Joint Committee to date has been fundamental to the safe transition of 25 shared services to alternative delivery arrangements since their inception on 01.04.09. and they will continue to monitor performance of the remaining shared services and guide strategic decisions in the year ahead. However the level of business has reduced and therefore it is timely to review ongoing activity and to plan this accordingly to ensure that future meetings are productive and timely decisions are achieved.

#### **4.0 Wards Affected**

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

#### **5.0 Local Ward Members**

- 5.1 Not applicable.

#### **6.0 Policy Implications including**

- 6.1 None.

#### **7.0 Financial Implications**

- 7.1 Each Council allocates funds to the shared services in line with individual Shared Service Agreements as noted in Appendix 1. A robust approach to regular budget challenge has been applied over the past five years to ensure that efficiencies have been secured comparable to those achieved in each authority. Regular financial monitoring is embedded in the approach to performance management.
- 7.2 Support to the Shared Service operation (governance, financial, legal etc.) is shared between the two Councils and subsumed within existing resources (i.e. no dedicated resource). It is anticipated that if the recommendations outlined in this report are agreed this arrangement will continue for the foreseeable future and that no further costs will be incurred. However if there was any intention of expanding the current operation some additional resources may be required.
- 7.3 The Work Plan reflects ongoing review activity some of which is likely to have financial implications for both Council's going forward e.g. a requirement for capital funding, awarding of external contracts. It is important that such decisions are aligned to each Council's financial and budget setting procedures to ensure that the appropriate funding is secured and delivery of the required outcome is not compromised.

#### **8.0 Legal Implications**

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

#### **9.0 Risk Management**

- 9.1 There is a risk that if the Work Plan for the Joint Committee is not aligned with the Councils' own work programmes (e.g. budget setting) the Joint Committee will be unable to agree recommendations regarding Shared Service activity which could delay or prevent key areas of activity being progressed.



- 9.2 The JOB maintains and regularly monitors the strategic risks associated with the Shared Services operation. (Shared Service managers are tasked with maintaining operational risks.) This includes risks regarding strategic direction, governance arrangements and dedicated resources. These will be reviewed in light of the anticipated discussion arising from this report and an updated risk register will be presented to the Committee as part of the mid year performance report.

## **10.0 Background and Options**

- 10.1 The Local Government Review (LGR) of Cheshire saw the dissolution on seven district Councils and one County Council to be replaced by two new unitary authorities – Cheshire East (CE) and Cheshire West and Chester (CWAC). In undertaking this change process there were sound business reasons to continue to deliver some services jointly whilst in other areas there was just insufficient time to disaggregate the activity ahead of vesting day.
- 10.2 At 1<sup>st</sup> April 2015 just seven Shared Services remain. All of these are hosted by CWAC with the exception of the Farms Estate (Management) Shared Service which is hosted by CE.
- 10.3 A Joint Committee and Joint Officer Board (JOB) provide a robust governance framework for both strategic and operational activity of the remaining Shared Services although it is anticipated that the level of business will reduce drastically once ongoing activity around the CoSocius service review programme has been completed.
- 10.4 Regular performance reporting is embedded and aims to provide reassurance that the sharing arrangements are delivering to plan and meeting the needs of both clients. However it is evident that the client Councils are looking for more efficient and innovative ways of delivering services and in some cases current sharing arrangements could be perceived to be hampering such developments.
- 10.5 Appendix 1 provides an overview of the remaining shared services including an indication of their performance over the past five years. It also provides a current position statement on key activities including:
- The Cheshire Archives and Local Studies relocation project aimed at addressing long term accommodation issues and improving outreach services across Cheshire communities
  - A further review of the Occupational Health Unit to assess its ongoing viability against increasing budget pressures and consequential impact service delivery
  - Implementation of outcomes arising from a review of the Archaeology Planning Advisory Services (APAS) including further exploration of alternative delivery models and increased income generation.
- 10.6 The JOB and the Joint Committee have met regularly over the past 12 months to oversee Shared Service business although this has predominantly focused on issues relating to CoSocius, the company formed from the former ICT and HR and Finance Shared Services which went live in April / May 2014. This

situation is set to continue into 2015/16 owing to ongoing service review activity between both Councils and the Company.

## 11 Review of Remaining Shared Services

11.1 As already noted review activity is common place across the Shared Services to ensure that the service and delivery model remain fit for purpose and continue to meet the needs of both Councils. A recent assessment of the remaining shared service has been undertaken which considers:

- the current arrangements and requirements for the future
- A high level evaluation of potential options for alternative delivery models

Recommendations in each case are provided in the table below with full details contained in Appendix 1.

**Table 1**

REF	SERVICE	HOST	RECOMMENDATION
A03	Farms Estate	CE	That this remain “as is” until 2016 when the position will be reviewed against progress on the implementation of CEC and CWAC’s strategies for the Farms Estates.
A04	Civil Protection and Emergency Planning	CWAC	That this remain “as is” but in the event of broader shared service arrangements being replaced consideration should be given to formally constituting the JEPLB as the governing body.
A05	Occupational Health	CWAC	That the review to assess the ongoing viability of the Unit be undertaken and fully informed by both clients ongoing requirements to enable the future direction of travel to be determined.
A06	Archives and Local Studies (APAS)	CWAC	That this continues “as is” until the future premises issue is clear but consideration be given to completing the agreed staff transfer to address inequalities in terms and conditions of employment.
A08	Libraries Specialist Support	CWAC (Transfer)	That the formal LSS arrangements be dissolved in favour of a renewable Service Level Agreement between CWaC (the provider) and CEC (the Client) subject to formal Transitional Procedures being satisfied.
A14	Rural Touring Arts Network	CWAC	That this continue “as is” until the impact of CWaC potential alternative service delivery vehicle and its impact on CE are fully understood.
B14	Archaeology Planning and Advisory Service	CWAC (Transfer)	Develop in consultation (CWAC and CE) a revised arrangement (shared or otherwise) for the provision of Archaeological planning advice and management of the HERS before 01.04.2016

11.2 In each case the original reason for these becoming a shared service remains in that there are no real business benefits to be gained from splitting the function. As the Councils have matured service requirements in these areas have largely stayed the same but where these have diversified (e.g. Cheshire Farms Estate) the Shared Service has been able to continue to meet the needs of both clients.

11.3 All Shared Services are subject to regular performance monitoring by the JOB and Joint Committee and a robust approach to budget challenge has been adopted to ensure that they deliver efficiencies.

- 11.4 Hosting arrangements for Shared Services have generally worked well primarily due to the strong governance framework supporting the overall shared operation. In the event of issues arising these have been successfully resolved by the Joint Officer Board to the satisfaction of all parties. The key issue is to ensure that both Councils remain aware of where shared arrangements apply and are mindful of the impact of any independent developments in these areas.
- 11.5 The Secondment Agreements for staff employed in the Shared Services have been more problematic particularly as the Terms and Conditions of the two Councils have diversified. In some cases these have been resolved by TUPE transferring non host employees to the host authority thereby putting all staff on the same T & Cs. However where this has not happened there is a risk of increased discontent from employees doing similar jobs but receiving differing reward packages.

## **12 Shared Service Governance and Work Plan 2015-16**

- 12.1 The Shared Services Joint Committee is the executive decision making body for the formal shared service arrangements between CE and CWaC. As such it has responsibility for overseeing the management of the shared services, ensuring the effective delivery of these and providing strategic direction. The Joint Committee is supported by the Joint Officer Board.
- 12.2 The membership of the Joint Committee is made up of three Executive members from each authority and this has largely remained stable since April 2009. However as a result of the recent local elections the membership has fundamentally changed with a total of five new members.
- 12.3 Since its inception the Joint Committee has dealt with a range of strategic and operational issues concerning the sharing arrangements e.g.
- Transitioning 23 shared services to alternative delivery arrangements
  - Overseeing the development and launch of CoSocius
  - Agreeing staffing arrangements e.g. transfers, VRs etc.
  - Agreeing Business Plans and monitoring financial and non financial performance
- 12.4 Initially the level of business demanded more meetings than might be expected in an annual committee cycle and therefore a good degree of flexibility was required on behalf of Members to get this through due process. For the past three years meetings have been scheduled monthly although in practice some have been cancelled due to lack of business.
- 12.5 In anticipation of the changes to the Joint Committee, the Joint Officer Board have reviewed business likely to be considered in the forthcoming year and scheduled this in Appendix 2. This is based on what is currently known and as such provides an indication of the decisions likely to come before the Joint Committee between now and May 2016 although this is subject to change.
- 12.6 The purpose of sharing the Work Plan is to ensure that Members have early sight of likely Joint Committee business so they can indicate whether any

further background information / briefing / discussion is required in the run up to the meetings to bring them up to speed with current issues and to enable fully informed decisions to be made at the required point. A discussion at this stage will also be helpful in ascertaining if sufficient meetings have been scheduled.

### **13 Conclusion**

- 13.1 Overall the Shared Service arrangements between CE and CWaC have worked well but given the reduction in the overall scale of the operation it is timely to review those that remain. This exercise suggests that a further reduction will be achieved in the next 12 months. In this event it is likely that the current governance arrangements will be onerous in terms of the remaining shared and could potentially be terminate at a time to be agreed by both partners. However should the Councils be looking to extend sharing arrangements anytime in the future they can be assured that the existing governance arrangements are tried and tested and have served both parties well.

### **14 Access to Information**

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

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

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

*Tel No: 01270 686013 / 01244 977830*

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

*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*

**SHARED SERVICE NAME: A03 CHESHIRE FARMS SERVICE**

**MANAGER: DAVID JOB**

**CWAC CLIENT MANAGER: Richard Green**

**CEC CLIENT MANAGER: Heather McManus**

**Core purpose:** The Cheshire Farms Shared Service manages the farms estate portfolio of each authority with the express aim of providing opportunities for those wishing to take up farming on their own account. With the need for a vibrant agricultural industry to meet a range of the community's priorities including food security, stewardship of the environment and landscape, this remains its core purpose today and the brief continues to expand broadening its benefit across the wider community.

CURRENT SERVICE DIMENSIONS 2014-15	HOST	BASIS	STAFF TOTAL: 3.3 FTE		BUDGET TOTAL: - £801,050		OUTTURN:- £282k U	
			East	West	East		West	
	CEC	Secondment	2	2 (1 vacant)	-£428,317	O/T -£245K U	-£372,733	O/T -337K U
					Management Cost split: 53%		47%	

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	GREEN		GREEN		GREEN		GREEN		GREEN	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget
	0		1		0		0		0	

<b>POSITION STATEMENT:</b> No review undertaken to date.	<p>The Cheshire Farms (Management) Service works well as a shared service even though its clients have differing strategies regarding the future of their respective estates (i.e. CEC maintaining/CWAC divesting). Service delivery is straight forward although the financial position is complicated by the inclusion of estates budgets. Efforts are underway to split out the management costs to make these more transparent going forward.</p>
	<p>The Service performance is consistently high and budget savings and staffing efficiencies have been delivered as a matter of course. The Service is currently running with a vacancy and whilst there are no plans to fill this on a full time basis although a part time appointment may be necessary to take forward planned initiatives.</p>
	<p>Whilst CWAC's disposal strategy will see a reduction in the scale of the operation this will not be achieved in the short term and therefore it is considered that the current arrangements are appropriate to future delivery. Client Managers support this position and there is no desire to disaggregate the shared service at present.</p>
	<p>The Shared Service manager is one of long standing and has been involved in service review activity pre LGR (CCC Best Value Review) when alternative service delivery models were explored but rejected. Regular interaction at a regional and national level via professional bodies ensures awareness of the latest national developments in this area including collaborative pilots in Wales and divestment of Farms Estates elsewhere (e.g. Lancashire). It is considered that increased collaboration is unlikely to deliver any benefit given the size of the services and diverse strategies of current clients and those of neighbouring authorities and would be impractical in terms of the travel requirements this would place on the service.</p>

**Recommended way forward: Cheshire Farms Service to remain “as is” until 2016 when the position will be reviewed against progress on the implementation of CEC and CWAC’s strategies for the Farms Estates.**

**SHARED SERVICE NAME: A04 CIVIL PROTECTION / EMERGENCY PLANNING**

**MANAGER: CHRIS SAMUEL**

**CWAC CLIENT MANAGER: Karen McIlwaine**

**CEC CLIENT MANAGER: STEPH CORDON**

**Core purpose:** The overarching aim of the Shared Emergency Planning Service is to ensure that both Cheshire West and Chester Council, and Cheshire East Council, have the capability to respond effectively and efficiently to any major emergency in support of their communities, and the multi-agency response.

CURRENT SERVICE DIMENSIONS 2014/15	HOST	BASIS	STAFF TOTAL: 7 FTE		BUDGET TOTAL: £318,404		OUTTURN:- £27k U	
			East	West	East		West	
	CWAC	Secondment	4	3	£152,549	O/T -£6K U	£165,855	O/T -£21K U
					Cost split: 50%		50%	

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	GREEN		GREEN		AMBER		GREEN		GREEN	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget
			2			£100k		-£20k		

<b>POSITION STATEMENT:</b> No review undertaken to date.	The Cheshire Civil Protection / Emergency Planning Service works well under shared arrangements. The dip in performance in 2015 was due to a high volume of emergency activity which had a negative impact on the delivery of core objectives and an anticipated overspend arising from the potential purchase of new software									
	Emergency Planning is subject to the Shared Service governance framework. However the response activity it provides falls under the remit of Joint Emergency Planning Liaison Board (JEPLB) – a body made up of officers and members from CEC and CWAC. The potential for transferring governance to the JEPLB was endorsed in principle by the Joint Committee has been explored but as the body is not formally constituted in either Council this was not possible and therefore overall governance remains with the Joint Committee..									
	Options for expanding the sharing arrangement with neighbouring authorities has been explored in the past but without success. The Service Manager is current exploring the potential for further service efficiencies within existing arrangements..									
	The Service's performance is regularly scrutinised by the JELPB in terms of its emergency response and statutory obligations relating to COMAH sites across the two boroughs (primarily located in CWAC). Given the nature of service it is difficult to assess delivery requirements in the longer term and therefore future developments can only really be judged against short term (annual) delivery.									

**Recommended way forward: Cheshire Civil Protection / Emergency Planning Shared Service remain “as is” but in the event of broader shared service arrangements being dissolved consideration should be given to formally constituting the JEPLB as the governing body.**

**SHARED SERVICE NAME: A05 OCCUPATIONAL HEALTH UNIT**

**MANAGER: ERIC BURT**

**CWAC CLIENT MANAGER: Sam Brouzas**

**CEC CLIENT MANAGER: Phil Badley**

**Core purpose:** The purpose of the Shared Service is to provide a value-for-money range of occupational health functions that manage and mitigate illness in the workforce, assess the health and suitability of employees and prospective employees, and provide managers with accurate and actionable information which will help to manage absence. The OHU strives to market these services to other organisations to generate income for the parent councils.

CURRENT SERVICE DIMENSIONS 2014/15	HOST	BASIS	STAFF TOTAL: 7.1 FTE		BUDGET TOTAL: £175,204		OUTTURN: -£30K U	
			Split East	Split West	East		West	
	CWAC	Secondment	2	8	£75,751	O/T -£20K U	£62,253	O/T -£10K U
					Cost split: 50%		50%	

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	N/A		N/A		AMBER		GREEN		AMBER	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget
			-2 FTE (tbc)		2.5 FTE (tbc)		3 FTE			-£16K
<b>POSITION STATEMENT:</b> Extensive Review activity undertaken and ongoing	The Occupational Health Unit (OHU) continues to supply services to Cheshire East (CE), Cheshire West and Chester (CWaC) and a number of external customers in both the public (including schools) and private sector. The income from these contracts subsidises the contribution from both councils and therefore makes the service very cost effective in comparison to alternative providers.									
	Initially OHU performance was hampered by delays in implementing a new records management system although this has since been addressed. In June 2013 the Joint Committee recommended that once the OHU had improved it should commercialise its operation in order to ensure that its future conversion to a company was feasible.									
	A further review undertaken by CWAC early in 2014 concluded that the OHU should transfer to CoSocius by the following June although this was later reversed given a lack of fit with the CoSocius operation. Instead it was agreed that options to bring in a supply partner be explored and a tendered was subsequently issued although it transpired that the costs of engaging would cause the Unit to go into a sizeable overspend. In the interim staffing changes were implemented that generated significant improvements in service delivery that removed the urgency to secure external support.									
	Whilst OHU's performance has improved its reliance on key staff and declining income generation from schools are questioning its ongoing resilience and viability. Following a discussion at the Joint Committee in March 2015 it was agreed that options within existing alternative service delivery arrangements in both Councils should be explored. A report is anticipated in September 2015.									

**Recommended way forward:** That the review to assess the ongoing viability of the Unit be undertaken and fully informed by both clients ongoing requirements to enable the future direction of travel to be determined.

**SHARED SERVICE NAME: A06 ARCHIVES AND LOCAL STUDIES**

**MANAGER: PAUL NEWMAN**

**CWAC CLIENT MANAGER: Mike Dix**

**CEC CLIENT MANAGER: Helen Paton**

**Core Purpose:** The purpose of CALS is to promote the preservation and use of, and interest in the archives and local studies of Cheshire, as a safeguard of democratic accountability, a resource for lifelong learning for individuals and a means of reinforcing community identity. It fulfils the statutory requirement of CE and CW&C under the Local Government Act 1972, s 224, to make “proper arrangements with respect to any documents that belong to, or are in the custody of the council”.

CURRENT SERVICE DIMENSIONS 2014-15	HOST	BASIS	STAFF TOTAL: 18FTE		BUDGET TOTAL £400,321		OUTTURN: -£56K U	
			East	West	East		West	
	CWAC	Secondment (but transfer pending)	7.5	10.5	£221,889	O/T -£48K U	£178,432	O/T -£8K U
					Cost split: 50%		50%	

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	GREEN		GREEN		AMBER		AMBER		GREEN	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget
			0.5	£84,000	1	£36,500	0		0	

<b>POSITION STATEMENT:</b> Last review completed in July 2012	<p>The primary reason for the downturn in the Archives performance in 2012-13 arose from the inadequacy of the accommodation as highlighted under the National Archive inspection regime. When reported to the Joint Committee on 27.07.12 Members agreed ‘doing nothing’ was not an option. Consequently consultants were engaged to undertake a feasibility study of alternative premises and consultation was undertaken to obtain the public views on 8 proposed locations across CE and CWaC. Outcomes from both exercises informed a Member workshop held in Nov’14 aimed at shaping the vision for a modern facility and improved archive outreach. This concluded that the best locations for a new development were Chester, Crewe or Winsford but further work was requested offering an outreach facility in both East and West. Local elections have delayed a follow up workshop which is anticipated in June.</p>
	<p>A key issue will be the joint funding for a new build. Efforts are being made to engage HLF to secure grant funding but this will require a clear commitment by both Councils to demonstrate aligned funding allocations in their Capital Programmes 2015-19. It is also anticipated that joint funding will be required to develop a credible bid.</p>
	<p>Net expenditure on this Service remains in the lowest quartile. The Customer Excellence standard currently held by CALS has been replaced by the Archives Accreditation Scheme and an application to secure accreditation will be submitted in Summer 2015. Achieving this accolade will be fundamental to securing future funding from central government sources e.g. HLF</p>
	<p>A CWAC management restructure has resulted in a merger of the Archives Shared Service and CWAC’s non-planning archaeologist. The impact of this change is currently being monitored in terms of evaluating the equity of the revised arrangement.</p>
	<p>JC agreed a staff transfer to the host authority in Jan 2014 but this is on hold until the future location of the Archive is determined. The continued uncertainty is concerning employees particularly given increasing disparity between T &amp; C with people doing the same job receiving differing benefits e.g. PRP</p> <p>Potentially, either authority could take on overall responsibility for the Archive and provide services to the other via an SLA but this is unlikely to happen in the short term given the current uncertainty surrounding accommodation. Once this situation is resolved there may be an opportunity to look at alternative delivery models e.g. a Trust potentially involving broader Heritage services across Cheshire.</p>

**Recommended way forward: That this continues “as is” until the future premises issue is clear but consideration be given to completing the agreed staff transfer to address inequalities in terms and conditions of employment.**



**SHARED SERVICE NAME: A08 LIBRARIES SPECIALIST SERVICES**

**MANAGER: RACHEL**

**CWAC CLIENT MANAGER: Mike Dix**

**CEC CLIENT MANAGER: Paul Bayley**

**Core Purpose:** Libraries Specialist Services provides support to libraries and customers in CEC and CWAC Libraries. It also provides resources and expertise to support the curriculum needs of schools and pupils which subscribe to the Education Library Service (ELS). Its aim is to provide innovative, cost-effective and efficient service for its clients.

CURRENT SERVICE DIMENSIONS 2014-15	HOST	BASIS	STAFF TOTAL: 36.49 FTE		TOTAL BUDGET: £755,766		OUTTURN: -£52K U	
			East	West	East		West	
	CWAC	Transferred (01.12.13)	0		£361,997	Balanced	£393,769	- £52k U
					Cost split	50%	50%	

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	AMBER		AMBER		AMBER		AMBER		GREEN	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget
			-1	£89,060	-3.5	£157,000	0	£40,000	-1	

<b>POSITION STATEMENT:</b> Last review completed November 2012	Since its inception the LSS has demonstrated its ability to deliver successive efficiency savings through co-location and service reorganisation. In 2013 the Secondment Agreement was replaced by a Transfer Arrangement whereby all CE staff transferred to CWaC. Consequently formal SLAs based on a realistic budget have been put in place to drive further efficiencies through ongoing delivery. In 2014-15 CWaC undertook internal restructuring which proposed the amalgamation of the LSS Manager role with the CWaC's Libraries Operations Manager which was consequently agreed with CEC Client manager.
	The ELS is self funded by services purchased by schools across Cheshire (including Halton and Warrington) through the annual SBSA process which presents some issues with long term planning. Efforts have been made to address this by offering discounts for longer term buy-in and exploring other potential markets (e.g Trafford, Stockport) with some success.
	CWaC have indicated that they will be exploring opportunities in 2015 to put their Libraries Operations and potentially the LSS into a Cultural Trust. The CEC Client Manager has indicated that they would support the dissolution of the current sharing arrangements in favour of a Service Level Agreement for services formerly supplied by the Libraries Shared Service

**Recommended way forward: That formal LSS arrangements be dissolved in favour of a renewable Service level Agreement between CWaC (the provider) and CEC (the Client)**

**SHARED SERVICE NAME: A14 RURAL TOURING ARTS**

**MANAGER: KATHRYN WEST**

**CWAC CLIENT MANAGER: Mike Dix**

**CEC CLIENT MANAGER: Helen Paton**

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

CURRENT SERVICE DIMENSIONS 2014-15	HOST	BASIS	STAFF TOTAL: 1.5		BUDGET TOTAL: £24,860		OUTTURN: Net Nil	
			East	West	East		West	
	CWAC	Secondment but no secondees	0	2	£12,480 (fixed cost)	Balanced	£12,480	Balanced
					Cost Split	51%		49%

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	GREEN		GREEN		GREEN		GREEN		GREEN	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget

<b>POSITION STATEMENT:</b> No review undertaken to date	This is a small shared service wholly funded by grants received from the Arts Council for England. Funding has been secured until 2018									
	The performance of the Shared Service is consistently high and client managers are satisfied with its services and the provision of rural arts programmes.									
	CWaC have recently commissioned an internal Cultural Services Review to consider the potential for moving its Library, Museum, Historic Environment (not incl. APAS) and Arts and Festival services into an alternative delivery vehicle. This project provides the opportunity to create a model that is flexible enough to include additional services where there are obvious synergies, e.g. the RTA. The CE Client Manager is aware of this development and is seeking discussions with CWaC on this issue with the anticipation of understanding the potential impact on services currently delivered to Cheshire East.									

**Recommended way forward:** That this continue “as is” until the impact of CWaC potential alternative service delivery vehicle and its impact on CE are fully understood.

**SHARED SERVICE NAME: B14 ARCHAEOLOGY PLANNING & ADVISORY SERVICE**

**MANAGER: Mark Leah**

**CWAC CLIENT MANAGER: Ian Hesketh**

**CEC CLIENT MANAGER: Ian Dale**

**Core purpose;** The Archaeology Planning Advisory Service (APAS) provides advice on the archaeological implications of development for Cheshire West and Chester (CWAC) and Cheshire East (CE), under the provisions of the National Planning Policy Framework. It also provides services to Halton and Warrington via service level agreements. The service to Halton also includes the provision of advice on the implications of development on the built historic environment.

CURRENT SERVICE DIMENSIONS 2014-15	HOST	BASIS	STAFF TOTAL: 5		BUDGET TOTAL: £230,829		: Net Nil	
			East	West	East		West	
	CWAC	Transferred (01.08.11)	0	5	£96,925	Balanced	£133,904 (incl.£25 k income)	Balanced
					Cost Split	47%		53%

OVERALL PERFORMANCE RATING	2010-11		2011-12		2012-13		2013-14		2014-15	
	NA		GREEN		AMBER		GREEN		GREEN	
EFFICIENCIES DELIVERED	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget	Staff	Budget
	0		0		0		0		-1	TBC

**POSITION STATEMENT:**  
Last review completed in March 2015.

The Archaeology Planning Advisory Service operated as a shared service from April 2009 but in August 2011 a variation to the original SS Agreement was put in place which transferred all staff to CWaC and provided for a fixed term Service Level Agreement which ran until 31 March 2014. At the renewal point CWaC indicated that they wanted to include APAS in a “Make or Buy” review of their Total Environment operation. Consequently it was agreed that a complementary joint review would be undertaken to assess the ongoing viability of the APAS sharing arrangement, potential alternative delivery models, national developments in the field and potential for efficiency savings. It was anticipated that national discussions about the ongoing viability of heritage services would help shape the review outcomes but these failed to report within the review timeframe.

In February 2015 the Joint Committee received the outcomes arising from the review and endorsed recommendations that would see the sharing arrangements continuing for a further 12 months on the basis of continued exploration of closer working with heritage agencies and local universities and opportunities for increasing funding and income generation. A staffing restructure was also agreed that removed the Shared Service Manager role with consequent efficiencies being secured. Activity will continue throughout 2015-16 to shape future service delivery and it hoped that this will be informed by the conclusion of discussions at a national level however the inability to split the Heritage Environment Record remains a key issue to alternative arrangements in Cheshire.

**Recommended way forward: Develop in consultation (CWAC and CE) a revised arrangement (shared or otherwise) for the provision of Archaeological Planning advice and management of the HERS before 01.04.2016**

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## SHARED SERVICES JOINT COMMITTEE WORK PLAN 2015-16

JOB Discussion	JOINT COMMITTEE
<b>27 August 2015</b> - First Quarter exceptions - CoSo Reviews - Archives Project update - OHU Project Update	<b>02 October 2015</b> <ul style="list-style-type: none"> <li>2014-15 Outturn Performance Report</li> <li>Review of Remaining Shared Services</li> <li>CoSocius Progress Report</li> <li>Joint Committee Work Plan 2015-16</li> </ul> <ul style="list-style-type: none"> <li>Archives Project Update (TBC)</li> <li>OHU Review Update &amp; Recommended Way Forward (TBC)</li> </ul>
<b>24 September 2015</b> - CoSo Reviews - OHU Review Update	<b>27 November 2015</b> <ul style="list-style-type: none"> <li>Mid Year Performance Report</li> <li>CoSocius Progress Report</li> <li>Shared Services Update (incl latest developments on Archives &amp; OHU)</li> </ul>
<b>22 October 2015</b> - Mid Year Performance Report - APAS way forward - CoSo Reviews	
<b>19 November 2015</b> - CoSo Reviews	<b>22 January 2016</b> <ul style="list-style-type: none"> <li>CoSocius Progress Report</li> </ul>
<b>17 December 2015</b> - CoSo Reviews	
<b>14 January 2016</b> CoSo Reviews	<b>18 March 2016</b> <ul style="list-style-type: none"> <li>CoSocius Progress Report</li> <li>OHU Review Update (Contract arrangements post 01.04.16)</li> </ul>
<b>11 February 2016</b> CoSo Reviews	
<b>10 March 2016</b> CoSo Reviews	

<b>07 April 2016</b> CoSo Reviews	<b>29 April 2016</b> (suggested that this could be deleted if insufficient business))
<b>05 May 2016</b> CoSo Reviews	
	<b>27 May 2016</b>
<b>02 June 2016</b> CoSo Reviews	- CoSocius Progress Report

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## **CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL**

### **SHARED SERVICE JOINT COMMITTEE**

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**Date of Meeting:** 2<sup>nd</sup> October 2015

**Report of:** Sam Brouzas - Head of Professional Services,  
Cheshire West and Chester Council

**Subject/Title:** Review of Occupational Health Services – Options  
for Future Service Delivery

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#### **1.0 Report Summary**

1.1 At the Joint Committee Meeting on 27<sup>th</sup> March 2015 there was a report and discussion about the Occupational Health Unit (OHU) where the committee were informed of the difficulties that had been encountered over the past 2 years and how these were being addressed.

1.2 Members were briefed on the main issues concerning the Unit and these can be summarised as follows

1.2.1 The Unit is relatively small and only employs 5 Occupational Health Advisers (OHAs) including the OHU Manager to cover Cheshire East, Cheshire West and the external customers, therefore if one of the OHAs is absent there are no spare staff to provide cover and run the clinics. This lack of resilience has led to clinics being cancelled and patients having to wait longer for an appointment

1.2.2 There is an increasing number of competitors who can offer the service at a lower price than OHU and who can provide a more consistent service, therefore the amount of external customers buying the service from OHU has fallen. The number of schools and academies buying back the service has also fallen for the academic year 2015/16

1.2.3 Occupational Health Advisers as a professional group tend to change employers frequently and this had led to OHU having to use agency staff, some of whom have not provided the level of service required. This in turn has damaged the reputation of the Unit and led to a loss of customers and a subsequent reduction in income.

1.2.4 The Occupational Health Unit is now too small to bid for large contracts (e.g. Cheshire Constabulary occupational health

contract 2015) and as its income continues to reduce, the costs to each council will increase.

1.2.5 Having an occupational health service in-house means that the bulk of the costs are fixed costs (staffing, accommodation, admin systems etc) therefore any loss of income will have a negative effect on the cost of running the service

1.2.6 When the Occupational Health Unit was quite large and had a sizeable income, it was financially advantageous to keep it as an in-house function, however the income is reducing year on year and the unit is reaching a stage where the financial reasons for keeping it in-house are no longer valid (see Appendix 2)

## **2.0 Occupational Health Services to Schools and External Customer**

2.1 The Occupational Health Unit provides services to schools (including academies) through the Schools Business Support Agreement (SBSA-Cheshire West) and through Cheshire East Schools Services (ChESS). Clinics are run at Goldsmith House in Chester, Westfields in Sandbach and Macclesfield Town Hall. Some appointments are delivered as telephone appointments where it is not necessary for the patient to visit the clinic in person.

2.2 The Occupational Health Unit also sells occupational health services to external customers including colleges, care providers and housing associations. The cost is based on the employee headcount and this provides unlimited access to occupational health services. (For the purposes of this report, references to Cheshire West and Chester include BRIO, VIVO and CoSocius. Similarly, for Cheshire East this also includes ANSA, TSSL, ESAR and Orbitas,).

2.3 Therefore fluctuations in the prices that schools pay are due to changes in staffing numbers and the type of school. If schools convert to academy status during the academic year, their price is adjusted accordingly. A table showing the cost to schools is shown in Appendix 1.

2.4 The numbers of schools who bought services from the Occupational Health Unit is also shown in Appendix 1. However the numbers of schools for each of the past 3 years is shown below:

2013/14	Total number of schools buying back = 286
2014/15	Total number of schools buying back = 266 (7% reduction)
2015/16	Total number of schools buying back = 247 (7% reduction)

2.5 In addition to a number of schools not buying back the service, some external customers have not re-signed their contracts therefore the reduction in income from external customers can be shown as follows:



Income 2013 / 14	108957	
Income 2014 / 15	89238	(18% reduction)
Income 2015 / 16	60315	(32% reduction)

2.6 The income and costs for the Occupational Health Unit can be shown as follows:

2013 / 14	CWAC	CEC	TOTAL
Staffing costs	361 590	132 746	494 336
Supplies and Services costs	83 192	2 081	85 273
West / East adjustment	-103 205	103 205	0
All income*	-246 034	-142 471	- 388 505
<b>Total</b>	<b>95 543</b>	<b>95 561</b>	<b>191 104</b>

2014 / 15	CWAC	CEC	TOTAL
Staffing costs	304 447	127 811	432 258
Supplies and Services costs	62 959	628	63 587
West / East adjustment	-89 544	89 544	0
All income*	-222 656	-162 777	-385 433
<b>Total</b>	<b>55 206</b>	<b>55 206</b>	<b>110 412</b>

2015 / 16	CWAC	CEC	TOTAL
Staffing costs	306 212	125 490	431 702
Supplies and Services costs	77 569	1 586	79 155
West / East adjustment	-94 294	94 294	0
All income*	-194 486	-126 369	-320 855
<b>Total**</b>	<b>95 001</b>	<b>95 001</b>	<b>190 002</b>

\*income includes income from ASDVs where this is shown separately in the budget

\*\*predicted outturn for 15 / 16

The reduction in staffing costs in 2014 / 15 is attributable to the time taken between existing staff leaving and new staff being recruited.

The outturn figures for 13/14 are higher because redundancy payments of £49 126 were taken out of the Unit's budget

## 2.7 OHU Usage Statistics

The following tables show usage statistics (i.e. appointments) for the last 2 years for each council.

	2013 / 14	2014 / 15	Increase / decrease
Cheshire West & Chester Council	1177	1110	-5.7 %
Cheshire West Schools	688	578	-16.0 %
Cheshire East Council	1470	1429	-2.7 %
Cheshire East Schools	614	647	+5.0 %
TOTAL	3949	3764	-4.7%

## 3.0 Options for future service delivery

3.1 Taking the Unit forward there are a number of options for future service delivery which can be summarised as:

3.1.1 Retain the existing service delivery model

3.1.2 Out-source the provision of occupational health services

The advantages and disadvantages of each option are listed as follows:

### 3.2 Option 1 - Retaining the existing service delivery model

3.2.1 Advantages

3.2.2 The main advantage of retaining the existing service has always been the cost. Using the outturn for 2014/15 as an example (£55 206) and a headcount of 4500 this equates to approximately £12.27 per employee for each council. This is compared to £22.50 per head which is the rate charged for schools and £26.50 per head which is charged for academies and external customers. (However, using the predicted outturn for 2015 / 16 (£94983) this cost per employee rises to £21.10).

3.2.3 By retaining the service in-house there is control over service delivery and quality. The service can be accessed very easily and the medical staff have a degree of flexibility in terms of delivering proactive occupational health talks and briefings. The service is also able to maintain an in-house intranet site with information for employees and managers.

#### 3.2.4 Disadvantage

3.2.5 The main disadvantage of retaining the service in-house is the lack of resilience. The service costs highlighted in this report are dependent upon retaining the existing customer base, especially in relation to schools and it has been shown that when service delivery is poor, customers will seek service provision from a number of other occupational health providers. This was demonstrated in 2014 when some schools and external customers did not renew their contracts and this had a direct effect on income.

3.2.6 Due to legal constraints, the Occupational Health Unit is restricted in its ability to expand and seek new business. This means that the Unit's ability to seek new business is limited and the income from external sources has seen a decrease over the past couple of years. There is not the staff capacity to seek new business and with the lack of resilience in the Unit it is difficult to sell the service as being on a par with local competitors.

3.2.7 Another disadvantage is that having an occupational health unit in-house is a fixed cost. There are times when the Unit is quiet, however the staff are on fixed contracts so the staffing costs are fixed irrespective of service demand.

### 3.3 **Option 2 - Out-source the provision of occupational health services**

#### 3.3.1 Advantages

3.3.2 One of the main advantages of outsourcing the occupational health provision is that an external provider would provide a service which is continuous and has a far higher level of resilience than the Unit has at present. This would ensure continuity of service provision. Another advantage would be that if the service was out-sourced the council(s) would not have to deal with staffing issues such as recruitment, sickness absence, holiday cover, agency staff etc. (The average cost of recruiting an Occupational Health Adviser is about £4500 in agency fees). Another advantage is that the council(s) would only pay for the service that was being used (similar to pay-as-you-go). The indicative commercial costs shown in this report assume that the same culture would exist under a commercial model, however if there was tighter control over occupational health appointments and counselling (i.e. more use of the Employee Assistance Programme) then the costs could be reduced.

#### 3.3.3 Disadvantages

3.3.4 There would not be as much control over the provision of the occupational health service so the client function would have to be

established in order to monitor the contract to maintain control over costs and service quality.

- 3.3.5 There may be a tendency for the medical staff to recommend review / return appointments as it would be in their financial interests to have as many appointments as possible. Currently there is a strict triage regime and unnecessary appointments are returned to the referring manager.
- 3.3.6 Other local authorities who have outsourced occupational health provision have reported that there is often a tendency for providers to charge for 'extras' that may not have been anticipated at the start of the contract. (An example of this is the provision of rabies vaccinations last year; this was not anticipated at the start of the year but became a requirement during the course of the year. The Occupational Health Unit was able to respond quickly to this request).
- 3.3.7 The main disadvantage is the cost of the service. However, Warrington Borough Council and Wirral Borough Council have both established a model whereby the occupational health function is outsourced yet the council still manages the contract and sells the service to schools. In this way, the schools income can still be used towards the cost of the service. As a comparison, Warrington's current cost is approximately £19.00 per employee when the school's income is taken into account.
- 3.3.8 Unfortunately the commercial contracts use the financial year and the schools use the academic year for contracts so this would be a challenge to align the current operating model. The issue of occupational health delivery to schools would have to be decided i.e. whether they joined in the contract or contracted with the supplier on an individual basis.

#### **4.0 Provision of Occupational Health in Other Local Authorities**

- 4.1 In most local authorities, the provision of occupational health is outsourced to a private provider and generally the provision of in-house occupational health is confined to large county councils such as Derbyshire which has a long tradition of in-house provision. The service in Derbyshire costs £400 000 per annum which equates to £22.00 per employee.
- 4.2 Warrington has an outsourced service and currently spends £119 000 per annum on occupational health of which £60 000 is recovered from schools. With a headcount of 3100 this equates to £19.00 per employee.
- 4.3 Lincolnshire has an outsourced provision and currently spends £22.00 per head on occupational health.
- 4.4 Wirral Borough Council out-source their occupational health provision and currently have all their counselling provided by the Employee

Assistance Programme (EAP) and their occupational health provider (People Asset Management – PAM) has an Occupational Health Adviser based within the council for 2 – 3 days per week to triage the referrals. Wirral have found that because schools also have to pay a fee for appointments, the number of appointments has reduced. Their occupational health costs are split over a number of different budget areas so it is not possible to show the cost per head.

- 4.5 OH Assist (formerly ATOS) is a private occupational health provider and is currently quoting approximate figures of £15 - £16 per head for occupational health provision, however this would be subject to confirmation via a tendering process to determine what this core function consists of and what additional fees would apply. However it does confirm that the fees / costs of occupational health provision whether in-house or out-sourced would be in the region of £15 - £25 per head.

## **5.0 Conclusion and Recommendations**

The most important factors to be considered when deciding on the future direction of the provision of occupational health include the following:

- 5.1 Quality – the service must provide a consistently high standard which supports managers and employees. Both councils have sickness absence policies which rely on an efficient occupational health function where managers are able to refer employees in a timely manner and receive good quality management reports.

Furthermore, at a time of increasing stress on employees it is vital that the council(s) have an occupational health service that will support them and provide appointments in a timely manner.

- 5.2 Resilience – the provision must be consistent and adaptable to peaks and troughs in demand. The service must also be able to cope with staffing changes and resilient to staffing pressures. Currently the Occupational Health Unit is very reliant on a very small number of staff so when one leaves or is absent it has a significant impact on the delivery of the Unit.
- 5.3 Cost – the service must be cost effective and deliver value for money. Initial discussions have taken place with Warrington Borough Council about the possibility of jointly tendering for an external occupational health provision commencing on 1<sup>st</sup> April 2016 when their existing occupational health contract ends.

## **6.0 Decision Requested**

- 6.1 The Committee are therefore asked to grant permission for officers to work with Warrington Borough Council on a tender for the outsourcing

the occupational health service in order to produce a more resilient and consistent service for employees and managers

### **7.0 Reasons for Recommendations**

- 7.1 The Occupational Health Unit has limited resilience in terms of service delivery when staff leave or are absent, so arrangements for the provision of occupational health services to both councils needs to be improved.

### **8.0 Wards Affected**

- 8.1 None

### **9.0 Local Ward Members**

- 9.1 None

### **10.0 Policy Implications**

- 10.1 There are no policy implications in terms of climate change. However there may be implications for employee health if the service is unable to provide support for employees due to staffing problems.

### **11.0 Financial Implications (Cleared by Finance)**

- 11.1 If a decision is taken to explore out-sourcing options this may result in increased costs if the contract is not carefully monitored to reduce the possibility of unnecessary review appointments etc.

### **12.0 Legal Implications (Cleared by Legal)**

- 12.1 If the councils decide to outsource the Occupational Health Service to a private sector provider as outlined in paragraph 3.3, the Transfer of Undertaking Regulations (TUPE) will apply as a matter of law. The Regulations will operate to transfer any staff currently employed in the provision of the OHU service to the new provider on the same terms and conditions of employment. The new provider can then only change terms and conditions or make redundancies if it has an economic, technical or organisational reason for doing so which entails changes to either workforce numbers or functions.
- 12.2 In terms of health and safety legislation, there are no legal implications as long as both councils continue to provide occupational health for employees including statutory medicals and health surveillance.

### **13.0 Risk Management**

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

### **14.0 Background and Options**

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

### **15.0 Access to Information**

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

Name: Eric Burt

Designation: Health and Safety Manager

Tel No: 01244 972229

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

## 16.0 Appendices

### Appendix 1 – Statistics for schools

Academic Year	Schools	Academies
2013 / 14	£22	£26
2014 / 15	£22	£26
2015 / 16	£ 22.50	£ 26.50

*A table showing the **price charged** per head for occupational health services to schools*

#### Numbers

Cheshire West and Chester Schools			
Type of school	Academic year 2013 / 14	Academic year 2014 / 15	Academic Year 2015 / 16
Primary	129	125	125
Secondary	13	6	5
Special	10	10	10
<b>TOTAL</b>	<b>152</b>	<b>141</b>	<b>140</b>

*A table showing the **numbers** of Cheshire West and Chester schools who bought occupational health services*

#### Numbers

Cheshire East Schools			
Type of school	Academic year 2013 / 14	Academic year 2014 / 15	Academic Year 2015 / 16
Primary	116	110	98
Secondary	14	11	7
Special	4	4	3
<b>TOTAL</b>	<b>134</b>	<b>125</b>	<b>108</b>

*A table showing the **numbers** of Cheshire East schools who bought occupational health services*

### Appendix 2

**A table showing the income from external customers and schools**

Income from External Customers and Schools			
	Financial Year 2013 / 14 £	Financial Year 2014 / 15 £	Financial Year 2015 / 16 £
External Customers	108 957	89 238	60 315
Schools	279 548	275 858	226 484
Total	388 505	365 066	286 799



## **CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL**

### **REPORT TO: SHARED SERVICES JOINT COMMITTEE**

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**Date of Meeting:** 2 October 2015

**Report of:** Mark Wynn – Cheshire West and Chester and Peter Bates – Cheshire East

**Subject/Title:** CoSocius Service reviews

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#### **1.0 Report Summary**

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

#### **2.0 Decisions Requested**

Members are asked to:

- 2.1 Note the progress in delivery of the transactional services benchmarking review;
- 2.2 Note the progress to date with the series of service reviews underway and the opportunities for collaboration and sharing across both Councils identified so far; and
- 2.3 Approve the change in scope and associated re-phasing of delivery deadlines for two of the service review areas.

#### **3.0 Reasons for Recommendations**

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

#### **4.0 Report Background**

- 4.1 This committee at its meeting on 27 February 2015 approved a programme of work to review the delivery of applications and services by CoSocius to the two Councils. Two significant components of this review programme were:

- The completion of a benchmarking review of the transactional services (HR contract management and payroll, payments and income), to ensure prices are in line with industry standards; and
- The completion of a series of “service reviews”, focussing on the key applications and systems provided by CoSocius to the Councils, assessing the extent to which current and future service offerings meet the strategic requirements of the Councils, both as CoSocius customers and shareholders.

4.2 This report will provide an update to Members on the key themes and issues arising from the work to date, and an indication of the direction of travel for each area of review, ahead of more formal recommendations to Members as the programme progresses.

## 5.0 BENCHMARKING OF TRANSACTIONAL SERVICES

5.1 An independent third party, Waterstons Ltd, have been appointed to carry out the benchmarking exercise approved by Members at the last Committee meeting. Fieldwork has taken place during September 2015. Waterstons have undertaken a “request for quotation” exercise to determine what other comparable providers in the market would seek to charge for a similar set of services as those provided to date by CoSocius to the Councils.

5.2 A verbal update on progress will be provided to the Committee based on available information at that time. Final results and a benchmarking report are expected during October 2015, and will be reported to Members at the November Joint Committee, along with proposals for actions to be taken based on the conclusions of the review.

## 6.0 SERVICE REVIEWS – PROGRESS UPDATE

6.1 The programme of service reviews approved by Members at the previous Committee is set out below, showing proportion of total application support spend covered by each review:

Tranche 1 – April '15 to December '15	Tranche 2 – October '15 to May '16
Enterprise Business Systems (50%)	Revenues and Benefits (5%)
Health & Social Care (Adults & Children) (3%)	Cash Receipting and Income Management (2%)
End User Computing (desktop, mobile, etc) (11%)	Highways (1%)
Geographic Information Systems (3%)	Children and Young Persons (1%)
Business Intelligence and Reporting (2%)	Document Management (1%)
Schools Information System (0%)	Elections (1%)
Resource Planning (Homecare) (1%)	Environmental Health (1%)
Customer Service (5%)	Transport (1%)
Planning and Building Control (3%)	
CoSocius cost associated with Tranche 1	CoSocius cost associated with Tranche 2
£5.1m	£0.83m

- 6.2 The scope each review previously agreed with Committee is outlined in Appendix A to this report.
- 6.3 A five stage service review methodology was approved by the Committee. The methodology is outlined for reference at Appendix B to this report.
- 6.4 Progress against each Tranche 1 review is outlined below.

### **Enterprise Business Systems**

- 6.5 The Councils' and CoSocius' "baseline and future vision" strategy statements (arising from Phases 1 and 2 of the service review methodology) were due for release in mid-September. At the time of reporting the Council deliverable is awaiting some additional information around specific requirements relating to HR / Payroll and Finance but is largely complete and has been shared with key stakeholders in draft.
- 6.6 The CoSocius proposal has not yet been issued at the time of reporting. The scope of the CoSocius strategy will be broad, covering transactional service delivery requirements which are currently underpinned by the Oracle ERP system, their needs as an ASDV in their own right, and an application delivery and support proposal which would meet the Council's needs (and those of their subsidiaries) but also provide a platform for commercial expansion.
- 6.7 A set of ERP Principles ("Enterprise Resource Planning") have been discussed with Cheshire East, Cheshire West and Chester and CoSocius at ERP Review Board meetings and a final version has been agreed. These will be used to help to select an appropriate solution and to make informed decisions about which solutions to discount from the process.
- 6.8 The Service Specification arising from the initial phases of the approach is due by the end of September. Early market engagement analysis (ahead of formal soft market testing) is underway, with key representatives from Cheshire East and Cheshire West and Chester identified for reference site evaluations.
- 6.9 A clear trend has been identified through this early market engagement, with a shift in the public sector away from "enterprise class" Tier 1 ERP solutions (such as SAP and Oracle) to simpler, less costly "business class" Tier 2 ERP solutions.
- 6.10 At the next Committee meeting, it is expected that the review will have developed a clearer view of the suitability of Tier 2 solutions to meet the Councils' requirements. Tier 1 solutions have not yet been ruled out. It is also expected that a clearer view will have emerged on the need for a different solution for smaller subsidiary / spinoff organisations. Finally, the CoSocius strategy will have been issued by the time of the next Committee, allowing the "opportunity analysis" phase of the process to be completed. This will help to identify:
  - i. whether the CoSocius strategy indicates that the type of solution required to meet the Councils' requirements will also support CoSocius requirements in terms of transactional service delivery, delivery of a marketable application platform, and their own requirements as a standalone business; and

- ii. the extent of any investment “ask” which would be required from Shareholders to support CoSocius’ strategy to deliver the requirements of their existing customers and potential future customers.

6.11 Initial work is also underway in parallel to gather requirements in relation to the Tranche 2 service review, **Cash Receipting / Income Management**.

### **Health and Social Care**

6.12 Despite both Authorities using the same core application to deliver social care across Adults and Children’s Services (“Liquid Logic”), the system has to date been procured differently, deployed and hosted differently, and is supported differently, across the two Councils, and even within each Council for the Adults and Children’s user base in each organisation.

6.13 This is therefore a complex review with many interested stakeholders. A detailed engagement plan has been developed. Initial meetings have been held with key stakeholders in relation to Adults social care delivery in both organisations. Similar discussions with Children’s stakeholders in each organisation are due in late September.

6.14 The two organisations do not have a tradition of working collaboratively in these areas of service delivery. However, discussions to date have demonstrated an openness and willingness to explore collaborative working, initially on procurement approach, underpinning technical infrastructure and/or support arrangements, and in the longer term on common or shared delivery processes which make best use of a common and shared technology solution.

6.15 There are new initiatives and supporting processes where both authorities could align systems and support processes. The Cheshire Shared Record is one such area, with both Councils working with the Countess of Chester to deliver a mechanism for data sharing across health and social care professionals, and where potentially there could be shared system administration and account management responsibilities.

6.16 Although the Care Account is not required by the Care Act 2016 implementation plan, both authorities are still looking at opportunities under the digital agenda to engage with clients and realise efficiencies via online access to care records and information about local care providers.

6.17 At the time of report, both the Councils and CoSocius are preparing their initial “baselining and future vision” strategy statements.

6.18 There are also strong overlaps with the scheduled Tranche 2 review on **Children & Young Persons**, which focusses primarily on the existing “Tribal” suite of application modules, covering areas such as schools admissions and Special Education Needs. Both Councils are reviewing requirements and seeking to make decisions about the use of both Tribal and Liquid Logic to deliver the full range of Children-related services. As such, requirements gathering has begun already in respect of this review and a decision will be progressed ahead of the previously agreed schedule. It is therefore proposed to merge the scope of the

**Health and Social Care** review with that of the **Children & Young Persons** tranche 2 review. This will mean that the decision relating specifically to Social Care will be delayed beyond the original deadline of December 2015 and will take place during the Tranche 2 review period.

### End User Computing

- 6.19 Both Councils have been actively pursuing a strategy of “Microsoft First”, with the intention of ensuring best value is delivered by existing contracts, and by maximising the value of those contracts by migrating wherever possible to Microsoft products in order to reduce the Total Cost of Ownership in this area versus equivalent solutions delivered by other suppliers.
- 6.20 Historic decisions taken by each Council has led to a differing approach to the deployment of end user hardware – eg desktop and laptop computers, tablet devices, etc. Microsoft Windows 7 has been deployed across the entire computer estate of both councils, providing a computing environment compliant with the Government Code of Connection standards mandated on the Councils by central government.
- 6.21 Cheshire East made a significant up-front investment in the “Next Generation Desktop” programme, involving delivery of access to business applications for end users using a product called Citrix, which essentially reduces the end user’s device to a “dumb terminal”, with all significant processing taking place on a centralised system. This has allowed ageing desktop computers to remain in use at a relatively low ongoing cost. Exceptions are made where a user has a clear business case to receive a more flexible device which supports specific mobile working requirements.
- 6.22 Cheshire West and Chester chose to adopt a different approach to Windows 7 rollout. The upfront Cheshire West and Chester investment in migration to Windows 7 was significantly lower than Cheshire East, but ongoing investment in end user devices is relatively expensive in comparison. A broader range of end user devices, including laptops and tablets, are available to users in accordance with their working patterns. Specific software is in use which allows some ageing applications to function on devices with a modern operating system. This has the benefit of supporting flexible and mobile working strategies with fewer restrictions than the Cheshire East model.
- 6.23 Both Councils have strategies for increasing the provision for flexible and mobile working, and increased collaboration across the Cheshire family is driving Council officers to demand ICT support working from an increasing variety of locations, some of which are owned or managed by partners.
- 6.24 With regard to asset management and the provision of end user computing devices, both Councils are currently managing their own procurement, ordering process and disposals. An opportunity exists for an external provider to provision this service to both councils, and market testing will focus on this aspect. CoSocius have previously indicated that they would be keen to offer this end-to-end service, and indeed already provide some components of the service. Also, consideration is currently being given by the Councils to a leasing model,

whereby a provider owns and manages the entire device estate, transferring the impact of asset depreciation to the provider, and simplifying the process of asset management from acquisition to disposal.

- 6.25 Both Councils are looking to move away from existing, costly, fixed telephony, to a greater use of telephony delivered through the user's computer and/or increased use of mobile phone solutions. Such moves would seek to maximise use of the Councils' existing licencing arrangements.
- 6.26 The Councils have issued their initial "baselining and future vision" strategy statement. CoSocius have, in parallel to this service review, commissioned an independent infrastructure review, examining aspects such as the Council-owned data centre and the network which provides connectivity to Council buildings. At the time of reporting the CoSocius strategy document supporting this service review is outstanding and subject to completion of the infrastructure review.

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

- 6.27 GIS is a system which exists in its own right as a method of managing a range of geographic data sets, and which also integrates to a number of line of business systems which rely on that geographic data. Both Councils use an existing system which is ageing and which requires replacement. A range of skills exist in CoSocius and in the Councils to utilise this data to support service delivery.
- 6.28 There are clear opportunities for both authorities to share a solution, supplier and an appropriate support wrap. Both the functional and non-functional requirements have been jointly developed and agreed. The governance structure in both Cheshire East and Cheshire West and Chester has been clarified and there is clear business support in progressing with a joint solution.
- 6.29 The Councils' "baseline and future vision" strategy document has been issued in draft and awaits signoff from key business stakeholders. This document is based on a significant body of existing joint work to understand requirements for both authorities.
- 6.30 Previous work has identified a number of potential alternative products which will be analysed during the soft market testing phase of this review.
- 6.31 The CoSocius baseline and future vision document has been shared previous as an early draft, focussing on a solution which makes use of open-source products as a means of providing similar functionality to the current solution but in a way which is potentially more scalable and more attractive to other organisations. A more formal submission remains outstanding at the time of reporting.
- 6.32 In the meantime, the Councils have approved a proposal by CoSocius to invest a small amount of capital in the development of a "proof of concept" based on this open source solution, which will resolve some immediate tactical issues with the existing system, as well as providing valuable intelligence to inform the CoSocius proposal.

### **Business Intelligence and Reporting**

- 6.33 This Service Review is focusing on the key strategic questions to be addressed by Business Intelligence (“BI”), and on a migration plan to an incumbent CoSocius-hosted corporate BI tool – Microsoft Business Intelligence (MSBI), to help address these. The costs and benefits of migrating existing 'legacy' reports into MSBI will also be considered. The roles required to support a successful corporate BI tool, including any opportunities for synergies across organisations, will also be referenced.
- 6.34 Cheshire East subject matter experts have articulated their Strategic Intelligence vision and how MSBI supports this – potentially alongside other tools and solutions. Outputs from the Cheshire West and Chester Insight and Intelligence programme are providing an equivalent viewpoint. Based on this work, the Councils' “baseline and future vision” deliverable is being populated collaboratively at the time of reporting.
- 6.35 Workshops are being scheduled across Cheshire East and Cheshire West and Chester to further identify and refine our understanding of the strategic questions to be addressed by BI, to detail any barriers to obtaining the data required to answer these questions, and discuss the opportunities for addressing these with a corporate BI solution. Workshops are taking place during the remainder of September and October. The agenda across the Cheshire East and Cheshire West and Chester will be consistent to facilitate comparable outcomes.
- 6.36 The CoSocius “baseline and future vision” deliverable is due to be issued at the time of reporting. Given the working assumption that an MSBI solution is likely to be appropriate, the focus of the CoSocius proposal will be on the cost of migration of legacy reporting solutions and the ongoing cost of operation of their existing MSBI solution.
- 6.37 Soft market testing will focus on an evaluation of alternative MSBI suppliers to understand whether the costs of migration to the CoSocius solution represent best value for the Councils or whether working with alternative solution providers may deliver a more cost effective approach.

### **Schools Information Management System / Services to Schools**

- 6.38 The focus of this service review to date has primarily been on the range of services offered by CoSocius to their schools' customers. Schools have some discretion over the package of services purchased from CoSocius and make these decisions on an academic year basis.
- 6.39 The Councils' requirements are limited to ensuring that schools are able to deliver the information necessary to allow the Councils to comply with statutory reporting requirements set by Central Government. Currently, Cheshire East utilise in a mechanism which allows schools data held locally rather than centrally to be gathered and collated in support of Council reporting. Cheshire West and Chester have achieved a budget saving by moving away from this mechanism, but with a consequential impact on the timeliness of information available to support corporate reporting.

- 6.40 The Council requirements are therefore for a solution which delivers a minimum set of information which meets statutory / regulatory requirements in a timely and cost-effective manner. The Councils' "Cloud First" strategy would support a solution which moves away from locally-held data to a mechanism which holds data centrally and allow for efficient and timely reporting.
- 6.41 The CoSocius "baseline and future deliverable" strategy, shared as an early draft but not yet formally issued at the time of reporting, sets out a broad view of the service offered to the schools community. The delivery of a reporting capability to the Council forms a small element of this overall offer. The focus of this service review is therefore expected to be the CoSocius assessment of the current range of services available to schools, and any investment proposal for Shareholder consideration to develop this product set.

### **Resource Planning - Homecare**

- 6.42 The existing homecare resource planning system is hosted by CoSocius and operated on an entirely shared basis by both Councils, being a legacy arrangement which dates back to prior to the formation of the Councils. The system is used to allow staff who deliver home care services to vulnerable service users to manage their schedule while on the move and to check in and out of each service user's house as they work through their appointments.
- 6.43 The mobile handsets which the system relies upon are several years old and becoming unreliable, leading to safeguarding concerns where appointments are being missed. The system itself would require an upgrade to allow it to be used with more modern mobile devices. Both Councils have expressed a desire to move urgently to a disaggregated cloud-hosted version of the product, which would resolve both hardware and data protection issues.
- 6.44 Cheshire East has led on a procurement process using a procurement framework which would deliver a cloud version of the current system and the associated mobile devices. Requirements have been defined by Cheshire East and confirmed as appropriate by Cheshire West and Chester. Cheshire East has been asked to ensure Cheshire West and Chester has access to the contract being established, to ensure a common system is selected and to minimise procurement effort across the two authorities. This shared information will form the basis of the baseline and future vision statement for the Councils, which is due to be issued in mid-September.
- 6.45 There are opportunities for a shared approach to implementation and provision of a support service "wrap" to the two authorities. CoSocius have not at the time of reporting shared their "baseline and future vision" statement for this product but have issued through normal business a proposal for implementation support to the Cheshire East project.

### **Customer Services and Website**

- 6.46 There is a need to ensure all of the systems being used to deliver customer services are up to date and supported, and are the best choice of solution for delivering the "digital by design" agenda that will enhance customer service



whilst allowing savings to be made through increased efficiency in how these services are delivered, eg a greater focus on self-service and online transactions rather than telephony or face-to-face interactions with the Councils.

- 6.47 Currently both Councils have different systems for most aspects of Customer Services aside from the Avaya telephony system (which supports both Councils' customer contact facilities) and SharePoint (which supports web-based information sharing).
- 6.48 Cheshire East has invested significantly in their existing Customer Relationship Management (CRM) system, Microsoft Dynamics, and has adopted a Digital strategy which is underpinned by the use of Dynamics. There is therefore no appetite to consider alternative solutions.
- 6.49 Cheshire West and Chester have set up the joint venture Qwest to deliver customer services on behalf of the Council. Qwest has inherited Cheshire West and Chester's CRM system Lagan, but is actively reviewing alternative solutions with a view to procuring a strategic solution in the near future. Microsoft Dynamics is under consideration, and the opportunity to work collaboratively with Cheshire East and CoSocius on this product may introduce benefits in terms of reduced cost of operation per customer, but this will be considered alongside the costs and benefits of other solutions and providers. Lagan is a well-developed system with existing investment in integration with Cheshire West and Chester's customer-facing website, and any replacement would need to ensure such integration between customers and back office systems is maintained or enhanced.
- 6.50 There is no current sharing of CRM between Cheshire East and Cheshire West and Chester, or sharing of procurement, support and delivery arrangements, beyond that fact that CoSocius host, develop and support both existing systems. CoSocius have previously shared an early draft of their "baselining and future vision" strategy and have been working closely with Cheshire East on the development of their digital strategy and associated procurement exercise.
- 6.51 Both Councils use Avaya telephony and call centre management systems. The functionality delivered by such a system is a requirement that must be maintained, however, should an alternative solution be found which will deliver the same functionality, a move from Avaya would be an acceptable alternative. Market testing for this service review will focus on this aspect of the scope.
- 6.52 In respect of website delivery, the existing Content Management System platform ("Immediacy") licenced by Cheshire West and Chester is now unsupported. Qwest are required to replace Immediacy with a modern CMS platform by April 2016. The Cheshire East web platform is externally hosted by Zengenti, with no immediate requirement to move from this solution. As with CRM options, Qwest may consider adoption of the Zengenti solution if the balance of costs and benefits supports this choice.
- 6.53 Overall, opportunities for overt collaboration were initially believed to be limited due to the significantly different delivery models across the two Councils. However, Qwest have demonstrated themselves to be very open to the benefits

of collaboration with Cheshire East and CoSocius where a business case exists, and work continues to determine the most appropriate product set and the extent to which these can be shared.

## **Planning and Building Control**

- 6.54 The scope of this service review as defined introduces a relatively complex set of stakeholders. Within Cheshire West and Chester, both Planning and Building Control are delivered in-house, but with separate system support arrangements in place or being developed for each of those functions. Within Cheshire East, a subsidiary has been established for delivery of building control and planning support, with planning remaining an in-house Council function. Each authority uses a different application to deliver these functions. The opportunity for Cheshire East to mandate the user of a particular solution by its subsidiary is limited; however stakeholders within Cheshire West and Chester are positive about the opportunity to develop a shared application platform as a means to facilitate further collaboration in future. Cheshire East stakeholders are still to engage in this review.
- 6.55 Further complexity is introduced by the fact that within Cheshire West and Chester, the system which supports Planning and Building Control – IDOX – also supports Environment Health (a Tranche 2 review), Trading Standards, Licencing, Anti-Social Behaviour and Property (none of which are within the existing scope of the programme). A decision taken about the future of IDOX would have consequences for a much wider user base than those within Planning and Building Control. A similar position exists within Cheshire East, where the Swift application has a similar cross-Service deployment.
- 6.56 The intention is therefore to undertake a review of baseline activity and future strategy across all impacted service areas with a common interest in the IDOX and Swift solutions. This will mean that the decision relating specifically to Planning & Building Control will be delayed beyond the original deadline of December 2015 and will take place during the Tranche 2 review period.

## **7.0 Next Steps**

- 7.1 The Committee has its next scheduled meeting on 27 November 2015. By this stage, it is expected that firmer conclusions on the preferred solutions for a number of service review areas will be available to share with Members. Service reviews expected to be well progressed by this date are:
- End User Computing
  - Geographic Information Systems
  - Business Intelligence and Reporting
  - Customer Service and Website
  - Schools Information Systems
- 7.2 It is also expected that Members will be given a briefing on progress and direction of travel with other key areas of review, in advance of the formal completion of each review area.

## **8.0 Wards affected**

8.1 None.

## **9.0 Policy implications**

9.1 None.

## **10.0 Financial Implications**

10.1 The contract with CoSocius represents a significant spend for each Council and the reviews currently in progress will ensure that the Councils receive value for money for their taxpayers. The service reviews underway will ensure that this situation is continually monitored in a fast changing ICT environment.

## **11.0 Legal Implications**

11.1 The previous report to the Committee on the subject of CoSocius included a number of proposals which were to be incorporated into Deeds of Variation to the contracts between the Councils and CoSocius (affecting the Shareholder Agreement and the Operating Agreements), with the intention of providing all parties with clarity and certainty. The proposals included a number of specific outcomes in contractual terms which could arise from the outcomes of the different elements of the service review programme.

11.2 At the time of reporting, the changes to the contracts have not been finalised and as such the Deed of Variation has not yet taken effect. All stakeholders are continuing to work collaboratively on those outstanding issues which require resolution before the contract amendments can be finalised.

## **12.0 Risk management**

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

## **13.0 Access to Information**

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

: Peter Bates / Mark Wynn

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

Tel No: 01270 686013 / 01244 977830

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

Background Documents:

*Documents are available for inspection at:*

*Cheshire East Democratic Services*

*Westfields*

*Middlewich Road*

*Sandbach*

*CW11 1HZ*

*or:*

*Cheshire West & Chester Democratic Services*

*HQ Building,*

*Nicholas Street,*

*Chester,*

*CH1 2NP*

## Appendix A – Scope of Service Reviews

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

Service for Review	Description
Geographic Information System	<p>The current Geographic Information System (GIS) provides an integrated mapping service to multiple high profile services within East and West, including Planning, Highways, Elections, and other public facing Services. GIS also manages over 900 spatial datasets made available to Cheshire West, Cheshire East, the Cheshire Public, and any wider audience via both internet sites, with approximately 100,000 visits to GIS internet sites per month. The current solution is old and needs to be replaced. Without having a true marketable service, there are regular approaches from external organisations to provide GIS Services, either as Service Offerings or via an Invitation to Tender. There is also opportunity to extend GIS to other East and West teams such as Schools, Transport. Work is already underway, to gather requirements for a robust, future, marketable GIS Service. There is a recognised gap in the external market, particularly locally. It is also an excellent means to engage with external clients around potential data sharing and joined up working. Review would recognise the enormous potential for GIS as a marketable, commercially profitable Service within an increasingly demanding customer base, as well as realise obvious business efficiencies through greater internal use of GIS and greater understanding of Service needs.</p>
Business Intelligence and Reporting	<p>This platform is shared across CoSocius and its clients, and is used for the delivery of Management Reporting and Business Intelligence. The current capability is delivered through a disparate set of solutions (including Oracle, SAP Business Objects and Microsoft Sharepoint) that struggle to present a holistic picture. The review is required to inform strategic direction and bring BI capabilities together. Improved BI and Reporting will strongly support process improvement for all three parties.</p>
Schools Information System (SIMS)	<p>The vast majority of LA maintained schools across East and West use Capita SIMS. The LA's pay an annual entitlement license fee to Capita, which is based on a per pupil cost for primary/special schools and secondary schools. This entitlement fee covers SIMS core and curriculum modules. Some schools will also pay a license fee direct to Capita for extended modules. Currently each school locally hosts their SIMS application; however CoSocius now have a private cloud solution available for all primary schools to purchase. When a school converts to an Academy, they have to purchase their original license from Capita (Schools Direct Licensing) as well as pay their own annual entitlement fee for support and maintenance at a non-reduced rate. The range of support services that CoSocius can offer schools is vast. The relationship between Local Authorities and education establishments are in a state of constant flux dictated by DfE requirements. CoSocius need to be positioned so that they can respond effectively to schools ever changing ICT related</p>

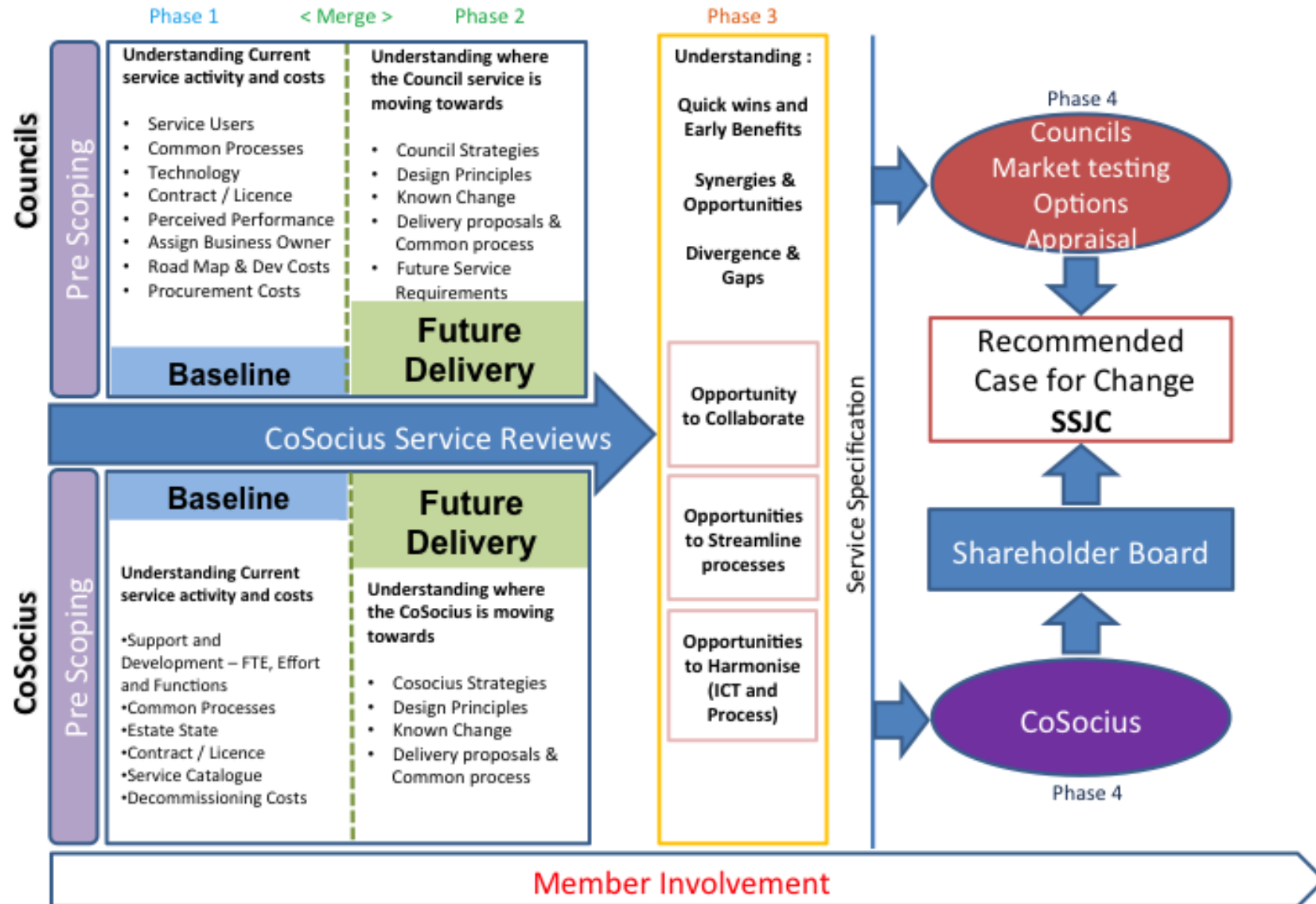
Service for Review	Description
	requirements.
Resource Planning (Homecare)	Homecare roster is a legacy solution in need of renewal which integrates with mobile working handsets. There are currently issues associated with the age of the mobile technology and its level of email integration for mobile working. This review presents an opportunity for the business clients to assess their needs and what mobile working requirements mean to future implementations.
Customer Service and Website Content	<p>The two clients have established differing strategies for Customer Services and this exercise will present an opportunity to understand the implications of this, and the opportunities for CoSocius in light of the two strategies. Cheshire West and Chester has recently entered into a contractual arrangement with a JV partner for the delivery of Customer Services and Facilities Management and both Councils are leading separate agendas to look at all customer facing contact and its integration with the digital platform.</p> <p>This approach has been strongly influenced by the need for the digital agendas to drive a very clear customer identify for each borough and will assess the implications of the diverging business strategies on the technology platforms and subsequent CoSocius product offerings; not limited to but including customer authentication/registration, customer portal, master data management, website and technology/data integration, etc.</p>
Planning and Building Control	<p>East and West Planning and Building Control Systems deal with over 500 Planning Applications each month, and over 200 Enforcement Cases. There are approximately 600,000 visitors to the Planning websites each month.</p> <p>East and West are currently utilising different solutions for this area, both of which are currently up for review from a licensing perspective. This area comes under significant scrutiny from the public. The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West, and assess options in light of the digital agenda being adopted by both clients.</p>
Revenues and Benefits	The Revenues and Benefits System Landscape and Support Model is particularly complex, mainly due to the rapid need to implement legislative change within the Business Area. There are over 25 supported systems that deliver the service to both East and West. The systems hold, amongst other information, over 315,000 Council Tax Accounts that are accessed by over 500 users. Through Council Tax and Business Rates, a revenue income is generated in excess of £300,000,000 per

Service for Review	Description
	<p>authority. The review will provide an opportunity to assess the extensive systems estate and the viability of these systems to support the current and future business requirement / operating models for the existing user base, which will require an analysis of the related business processes through the above organisations and CoSocius.</p> <p>There is clear scope for efficiency across the two authorities and for the development of a marketable solution for CoSocius to take to the wider market.</p>
Cash Receipting and Income Management	<p>The Cash Receipting and Income Management system is the single corporate means of making internet, intranet (via Contact Centre), telephone, face to face and paypoint payments for the vast majority of Council Services. The System deals with almost 1,500,000 transactions every year. It is predominantly the same system used by both East and West, with similar supporting business processes in East and West.</p> <p>The technical solution for this area is the same for both Councils but separate environments are maintained. This review will assess the benefits of bringing this system together, ensuring consistency across business processes and standardising systems architecture, whilst considering both councils digital agenda.</p>
Highways	<p>The Confirm application is used by both Councils but maintained separately. It is due for contract renewal and this review will provide an opportunity to ensure a modern, fit for purpose system and business process is assessed for both Councils and its partners.</p> <p>The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.</p>
Children and Young Persons	<p>These business areas are currently serviced by a collection of legacy applications, standard to both Councils but maintained separately. The Tribal Synergy CYPD Suite is a Children's Education Case Management System used in West and East. It is a multi-modular system for specific service areas such as Admissions and Special Educational Needs (SEN). This review will provide the opportunity to modernise the technical solution to support an evolving business model.</p> <p>The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions supporting East and West and assess options in light of the digital agenda. Joint working is already underway to identify appropriate procurement routes and potential options.</p>
Document Management	There are currently a number of different, document management solutions in place across both



Service for Review	Description
	Councils, in some cases directly linked to specific applications, e.g. Civica for Revs and Bens (Cheshire West and Chester). The enterprise SharePoint platform currently holds some 1.36 million documents, enabling collaboration, workflow, security, records management and version control seamlessly with Microsoft Office and 3rd party applications, including mobile. This review will provide an opportunity to review the needs of the Councils and CoSocius to recommend a standard document management solution going forwards, not only realising efficiencies through reducing spend on existing systems and systems support, but also by having a shared, consistent approach to document management.
Elections	Both Councils use different systems but the business process will be in line with the necessary governance required to support the political process across all local authorities. This review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.
Environmental Health	This will include Trading Standards, Pest Control, Licensing, etc. East and West are currently utilising different solutions for this area, both of which are currently up for review from a licensing perspective. This area comes under significant scrutiny from the public. The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.
Transport	East and West are currently utilising different solutions for this area, both of which are currently up for review from a licensing perspective. The review will provide an opportunity to evaluate the two business strategies, re-evaluate the solutions being adopted across East and West and assess options in light of the digital agenda being adopted by both clients.

## Appendix B – Service Review Methodology





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