



Shared Services Joint Committee

Agenda

Date: Monday 16th April 2018
Time: 12.00 noon
Venue: Council Chamber - Wyvern House, The Drumber, Winsford, CW7 1AH

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

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

1. **Apologies for Absence**

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

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

Members of the public are entitled to address the Joint Committee on reports contained within the agenda. One person can speak in support of each item, and one against, with a limit of three minutes each. It would be helpful if any person wishing to speak would give prior notice to the Democratic Services Officer named below.

4. **Minutes of Previous meeting** (Pages 3 - 8)

To approve the minutes of the meeting held on 24 November 2017

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

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5. **ICT Services Update** (Pages 9 - 18)

To consider an update report on ICT Services focussing on the agreed activities following the Ernst Young Review of ICT Services

6. **Transactional Service Centre - Shared Service Agreement** (Pages 19 - 22)

To consider a progress report on the continuing development of the Transactional Service Centre

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

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

8. **Shared Services Joint Committee Governance Update** (Pages 23 - 26)

To consider a report on a proposed review of the governance arrangements for the Shared Services Joint Committee

Minutes of a meeting of the **Shared Services Joint Committee**
held on Friday, 24th November, 2017 at Committee Room 1 - Wyvern House,
The Drummer, Winsford, CW7 1AH

PRESENT

Cheshire East Council

Councillor JP Findlow (Chairman) and P Bates

Cheshire West and Chester Council

Councillors P Dolan, P Donovan and L Gittins

Visiting Member

Councillor N Sullivan, Cheshire West and Chester Council

Officers in attendance

Cheshire East Council:

Peter Bates, Chief Operating Officer

Dominic Oakeshott, Programme Director, Best4Business Programme

Gareth Pawlett, Corporate Manager ICT

Suzanne Antrobus, Team Manager, Legal

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

Rachel Graves, Democratic Services Officer

Cheshire West and Chester Council:

Mark Wynn, Director of Corporate Services

Paul Newman, Archives and Local Studies Manager

Laurence Ainsworth, Director of Public Service Reform

Aaron Thomas, Public Service Reform - Joint Programme Manager

Peter Lloyd, Public Service Reform – Senior Manager

Simone Thomas, Senior Manager ICT Solutions

Nicky Cox, Agilisys Ltd

20 MEMBERSHIP CHANGE

It was reported that Councillor Don Stockton had replaced Councillor Peter Groves on the Committee.

21 APOLOGIES FOR ABSENCE

Apologies were received from Councillors D Armstrong and D Stockton.

22 DECLARATIONS OF INTEREST

No declarations of interest were made.

23 PUBLIC SPEAKING TIME/OPEN SESSION

No member of the public were present.

24 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 22 September 2017 be confirmed as a correct record and signed by the Chairman.

25 ARCHIVES UPDATE

The Committee considered a report which provided an update on the Archives Project.

The call in of the Cheshire West and Chester Cabinet decision in relation to the site of the history centre at the former Enterprise Centre in Hoole had been considered by the Council's Overview and Scrutiny Committee on 9 October 2017. The Committee had resolved that the Cabinet's decision proceed.

Work was currently being commissioned to support the funding bid to the Heritage Lottery Fund. The recruitment of the design team was underway, with the process taking longer owing to the larger value of the commission. It was anticipated that the commission would begin in January.

It was proposed that a workshop be held in January 2018 to provide an update on progress and consultants' work to date.

RESOLVED:

That the contents of the report be noted.

26 ICT REVIEW UPDATE REPORT

The Committee considered a report on the outcome of the independent review of ICT and the agreed next steps.

The Joint Independent Review had been concluded on 6 November. The main areas identified were the need for strengthening of commissioning; financial transparency; enhanced and simplified governance, and the modernisation of the IT Shared Service. An outline business case had been formed to understand the costs and benefits of a new operating model. A draft transition plan was appended to the Report.

RESOLVED: That

- 1 the Review's recommendations are taken forward to mobilisation stage, namely:
 - I. Strengthen client arrangements and medium term strategic planning;
 - II. Confirm and enhance the ICT Shared Service's key role in supporting common applications and providing commodity ICT while also ensuring full engagement with both clients on projects relating to line of business systems and digital programmes;
 - III. Ensure that both Councils fully engage across with the Infrastructure Investment Programme to enable the delivery of key business requirements, to develop the financial case and to maintain momentum;
 - IV. Improve and streamline governance at officer level to enable joint working and shared decision making;
 - V. Draft a shared service agreement and proportionate performance management framework supported by a range of intelligent KPIs;
 - VI. Deliver a comprehensive training programme to support further staff development involved in ICT across the two Councils and the shared service;
 - VII. Develop a new organisational structure for ICT alongside clear roles and responsibilities;
 - VIII. Building on the outline business case, further develop the financial implications relating to a new operating model including clarity on investment and financial/non-financial benefits and new funding arrangements
- 2 resources to enable the above are defined as a matter of urgency;
- 3 the Committee endorse the shared services agreement dated 1 April 2016 continue to govern existing service provision until the revised agreements, including agreed service catalogue, specifications, performance management and revised payment arrangements, are in place; and
- 4 the Committee agree the Transactional Service Agreement will now move forward and reflect the changes in the ICT delivery model and the requirements of the Best4Business programme.

27 FINANCE & HR SYSTEM REPLACEMENT ("BEST4BUSINESS") PROGRAMME

The Committee considered a report which provided an update on the progress being made in procuring and implementing a replacement HR and Finance system for the Council's and their partners.

The contract had been signed between each Council and Agilisys and an Inter Authority Agreement had been signed between the two Councils, setting out the working arrangements in relation to the HR & Finance System contract.

The contact with Agilisys included a schedule of milestone payments upon delivery of a number of outcomes during the life of the programme. Three milestones had been signed off by the Best4Business Programme Board, as listed in Appendix A to the report. It was expected that the Solution Design Document would be signed off by 30 November.

The Joint Scrutiny Working Group continued to provide scrutiny of the implementation programme and had met for the second time on 9 October. The Working Group emphasised the importance of receiving positive confirmation from the officers representing the Programme Team that the solution design being signed off would meet the needs of the Councils and their partners.

RESOLVED:

That the Committee:

- 1 note and endorse the work of the Finance & HR System Replacement Programme (Best4Business) in finalising the Council's contracts with Agilisys and in mobilising the joint implementation team with Agilisys since the previous report to the Committee in September 2017;
- 2 note that three contractual milestones have been signed off and the Solution Design milestone will be signed off shortly;
- 3 note the approach being taken with regard to assessing the change impact on both Councils and partners resulting from the implementation of the new system;
- 4 note the approach being taken with regard to ensuring the delivery of business process savings as set out in the business case approved in July 2017;
- 5 note the scope and agreed terms of reference for the Joint Scrutiny Working Group and agree to support the work of the Group by receiving support and contributions from the meetings of the Group

which will continue between now and the programme completion;
and

- 6 note the next steps in the programme timeline, reflecting on the challenging nature of the target implementation date the Councils and Agilisys are working towards.

The meeting commenced at 2.00 pm and concluded at 2.35 pm

Councillor JP Findlow (Chairman)

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Shared Services Joint Committee

Date of Meeting:	16 th April 2018
Report of:	Laurence Ainsworth – Director of Public Service Reform (Cheshire West & Chester) Gareth Pawlett – Chief Information Officer (Cheshire East)
Subject/Title:	Joint Council ICT Services Update Report
Portfolio Holder:	Councillor Paul Bates – Cheshire East Council, Councillor David Armstrong – Cheshire West and Chester Council

1. Report Summary

- 1.1. The purpose of this report is to provide a progress update in relation to ICT Shared Services, focussing on the agreed activities following the Ernst Young Review of ICT Services. Covering the progress of the implementation of a Target Operating Model (TOM) for ICT and Infrastructure Investment programme (Evolution).

2. Recommendation

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

3. Reasons for Recommendation

3.1. At SSJC on the 22 November 2017 noted the recommendations made by the Ernst & Young following a jointly commissioned independent review of ICT the output from which was that the Councils take the following forward the below 8 recommendations into mobilisation:

- 1) Strengthen client arrangements and medium term strategic planning;
- 2) Confirm and enhance the ICT Shared Service's key role in supporting common applications and providing commodity ICT while also ensuring full engagement with both clients on projects relating to line of business systems and digital programmes;
- 3) Ensure both Councils fully engage across with the Infrastructure Investment Programme to enable the delivery of key business requirements, to develop the financial case and to maintain momentum;
- 4) Improve and streamline governance at officer level to enable joint working and shared decision making;
- 5) Draft a shared service agreement and proportionate performance management framework supported by a range of intelligence KPIs;
- 6) Deliver a comprehensive training & culture programme to support further staff development involved in ICT across the two Councils and the shared service
- 7) Develop a new organisational structure for ICT alongside clear roles and responsibilities
- 8) Building on the outline business case for infrastructure investment (Evolution), further develop the financial implications relating to a new operating model including clarity on investment and financial / non- financial benefits and new funding arrangements.

4. Background

4.1. At SSJC on the 24 March 2017 the Committee noted that an independent and holistic ICT review supported by both Council was required to ensure ICT in its entirety enables both Councils to achieve their objectives.

4.2. At SSJC on the 19 May 2017 the Committee noted that Ernst & Young LLP were to conduct the independent review to provide assurance and to determine the optimum alignment and IT delivery model to deliver both

councils' future requirements. It was agreed that the outputs from the phases of work would be brought to this Committee.

5. Joint Council ICT Services Progress Update

- 5.1. There has been a lot of progress taken over the last period with both Councils moving forward with the key recommendations these are outlined in 5.2 below

5.2 Progress against EY recommendations

Recommendation	Progress	Next steps
1. Strengthen client arrangements and medium term strategic planning;	<p>CWaC Client structure design moving forward</p> <p>Medium Term (3yr) strategic planning in development.</p> <p>CEC Client structure reviewed, any potential changes will be considered as part of wider ICT Services TOM. Draft TOM ready in May 2018. CEC Client has identified demand for 18/19.</p>	Enhance existing 18/19 plans and develop a 3yr strategic plan.
2. Confirm and enhance the ICT Shared Service's key role in supporting common applications and providing commodity ICT;	<p>Follow up sessions with senior managers from both council's clients and ICTSS have taken place to re-affirm the model and what we mean by commodity ICT. This is reflected in key technology decisions such as XenMobile.</p> <p>A recruitment for a core team to support the analysis and implementation of the TOM has started which will help Councils to what council side functions may better sit in the shared service and are more commodity based and vice versa.</p>	<p>Mobilisation of core team</p> <p>A joint councils meeting is planned to review all workstreams, plans and interdependencies this will enhance and define commodity ICT services further.</p>
3. Ensure both Councils fully engage across with the Infrastructure Investment Programme (IIP) to enable the delivery of key business requirements, to develop the financial case and to maintain momentum;	There is a noticeable increase in engagement between councils and ICTSS regarding requirements for IIP	Continued engagement and requirements gathering to enable the full business case for IIP

4. Improve and streamline governance at officer level to enable joint working and shared decision making;	<p>New Joint Strategic governance is now in place and will improve and coordinate ICT planning activities</p> <p>A wider review to simplify the existing and complex governance is almost complete.</p>	Implement wider simplified governance Mobilise new governance groups that consolidate multiple previous groups
5. Draft a shared service agreement and proportionate performance management framework supported by a range of intelligence KPIs;	ICT Client, Legal and Procurement working group established and workshop 1 has taken place to evaluate current Shared Service Agreement.	Further work in planned over the next period to achieve an interim Shared Service Agreement., Performance Management Framework and procurement strategy.
6. Deliver a comprehensive training programme to support further staff development involved in ICT across the two Councils and the shared service	CEC HR working with ICTSS to develop a baseline skills matrix and associated development programme inline with the skills needed for Evolution and the TOM	<p>Baseline skills matrix will be complete</p> <p>Creation of a Culture and development strategy for ICT</p>
7. Develop a new organisational structure for ICT alongside clear roles and responsibilities	<p>CWac Client structure will soon be enhanced which will make sure that sufficient resources are in place to plan and engage more effectively.</p> <p>CEC Client structure reviewed, any potential changes will be considered as part of wider ICT Services TOM. Draft TOM ready in May 2018.</p>	Business Analysis and service review planned following recruitment of needed resources to support the ICTSS organisational structure.
8. Building on the outline business case for infrastructure investment (Evolution), further develop the financial implications relating to a new operating model including clarity on investment and financial / non- financial benefits and new funding arrangements	A draft Interim Business case is with both Councils and outlines a clearer financial model and assumption based business case for Infrastructure Investment (Evolution)	Finalise outstanding analysis and progress with a Full business case for delivery in July.

6. ICT Change Programme (TOM Development) Update

- 6.1. A Joint Strategic ICT Board has been established with responsibility for oversight, direction setting and decision making to ensure all elements of ICT change and Business as usual services are understood and fit in with both Councils needs and direction.

The board will:

- Identify potential for collaboration and joint working and overseeing delivery of common solutions.
 - Agree business cases for joint initiatives
 - Perform dual roles of Strategic Planning and Delivery Management in respect of joint initiatives.
 - Agree plans and business cases for Business As Usual (BAU) or Commodity ICT changes within existing budgets
 - Support investment asks for Business As Usual (BAU) and Change ICT initiatives through internal Council governance mechanisms where required and subject to business case
 - Be responsible for making ICT decisions that affect or have an impact on both Councils, either at a Strategic or Operational level.
 - Be responsible for the governance of the ICT Change Programme for the duration of the programme (2 years from December 2017).
 - Act as a point of escalation and resolution
- 6.2. There have been 3 meetings of the Strategic ICT Board since the 22nd November 2017 which has helped maintain momentum on the programme.
- 6.3. The Target Operating Model programme has mobilised 6 key workstreams which now have established plans for delivery. These are:
- Strategic Commissioning & Planning,
 - Design and Solution Delivery,
 - Finance & Commercial,
 - Service Management& Operations,
 - Human Resource & Organisational Development.
 - Stakeholder Management.
- 6.4. There are many interdependencies across this complex programme which will be managed through the programme team.

- 6.5. A number of workshops with all leads is planned in the next period to ensure all of these are captured and are clearly understood across the programme.
- 6.6. The Recruitment of the supporting resources for the ICT Change Programme is now underway.
- 6.7. CWaC have moved forward with the design of the ICT Client structure

7. Infrastructure Investment Programme (Evolution) Update

- 7.1. The Infrastructure Investment Programme (Rebranded to Evolution) is a programme which will modernise all of the aged and end of life infrastructure (i.e. servers and network) on which all of the Councils supporting systems sit.
- 7.2. The programme will look to follow best practice and move both councils to a mixture of Cloud storage for the majority of the Councils needs and updating our Data Centre to a more modern environment for the rest.
- 7.3. The financial case estimates £19.8m investment is needed over 3 years between both Councils with a large proportion of the investment (£9.8m) to support essential replacement to ensure we are compliant and stable for our needs now.
- 7.4. Currently around 80% of the ICT estate has been deemed to be out of date which carries significant risks to both councils of both failure and security
- 7.5. A further £10m of investment between both Councils in more modern capabilities such as migrating 80% of the estate to the Cloud, more modern ICT Management tools and more up to date core council products that will future proof our needs and reduce future cost burdens.
- 7.6. The Business Case for this is supported in principle by both Councils Section 151 officers and will be monitored tightly through robust programme governance.
- 7.7. To date the programme spend for 17/18 is £4.4m
- 7.8. Furthermore, a final Full Business Case will be delivered in July 2018 following on from planned further analysis and engagement, this will detail further clarity on the:
 - Impact and opportunities,
 - More detailed costs and benefits of enterprise modernisation.
 - Detailed implementation and change plans
 - Address issues around delivery capacity and procurements
- 7.9. It is estimated that at the end of July 18 both Councils will have invested £7.3m in the programme (a further £2.9m).

7.10. The programme will mitigate these key risks to both Councils through replacing aging or end of life infrastructure with new more modern infrastructure, taking advantage of cloud hosting where appropriate.

7.11. The benefits and aims of the programme are:

- 1) Enable significant financial benefits for both Councils and ICT Services,
- 2) Engage strategic cloud enablement partners as required,
- 3) Provide a stable technology platform and meet the essential replacement needs of both Councils, ensuring compliance and security,
- 4) Update the remaining data centre / on premise components,
- 5) Create a modern and performing environment, through a hybrid cloud model,
- 6) Assess each application and inform it is hosted in the most cost effective manner with the aim to migrate viable applications or products to the cloud,
- 7) Support both Councils through this change –
 - With planning for application decommissioning and rationalisation (elements such as data migration are not in scope of this programme),
 - reducing impacts of change and helping councils to make best use of new capabilities,
- 8) Introduce an improved level of resilience and disaster recovery capability,
- 9) Deliver the necessary tools and processes to enable ICT to be more efficient and effective,
- 10) Deliver a new updated Product Catalogue that outlines services and associated capabilities for both Councils,
- 11) Enable both Councils to work in more agile and flexible ways in line with their existing ambitions for Flexible Mobile Working

8. Next Steps

- 8.1. Further development of the Full business case for infrastructure modernisation and cloud services to clarify to both council's further detail and impacts.
- 8.2. Finalise key milestones and programme plan including interdependencies for the programme.
- 8.3. Develop the Interim Shared Service Agreement including Interim PMF and Collaborative Working Agreement

- 8.4. Develop a joint procurement strategy to enable ICTSS to move forward with pace on procurement of solutions through an agreed plan.
- 8.5. Move forward with the ICTSS Culture and development strategy.

9. Wards Affected and Local Ward Members

- 9.1. All wards

10. Implications of Recommendation

10.1. Policy Implications

Strategic policy implications are limited and likely to be more pronounced at an operational level.

10.2. Legal Implications

Legal will be fully involved in developing the revised agreements, governance approach and any subsequent appointments of specialist teams or third party contracts required for the transformational programme.

10.3. Financial Implications

The financial implications of both programmes are not fully known at this time and will be further developed as part of a full business case.

Equality Implications

There are no equality implications

10.4. Rural Community Implications

There are no impacts on the rural community

10.5. Human Resources Implications

Implications on Human Resources are not known at this time and will be fully set out once a full business case is produced.

10.6. Health and Wellbeing Implications

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

10.7. Implications for Children and Young People

There are no implications for Children and Young People

10.8. Overview and Scrutiny Committee Implications

There are no known specific impacts at this time.

10.9. Other Implications

None

11. Risk Management

11.1. The Programme actively maintains a risk log which is reviewed and acted upon through governance.

12. Access to Information

12.1. Previous ICT update reports which set out the background are available publically.

13. Contact Information

Contact details for this report are as follows:

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Email:	jan.willis@cheshireeast.gov.uk mark.wynn@cheshirewestandchester.gov.uk

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICES JOINT COMMITTEE

Date of Meeting: 16 April 2018

Report of: Mark Wynn – Chief Operations Officer (West)

Subject/Title: Transactional Service Centre – Shared Service Agreement

1.0 Report Summary

- 1.1 This report provides a progress update in relation to the continuing development of the Transactional Service Centre (TSC) following the decision of the Committee to agree for a 'transformation phase' to be in place until 31 March 2019.
- 1.2 The report provides the information that the shared service is required to provide Committee and/or Joint Officer Board (JOB) under the Shared Services Agreement.

2.0 Decisions Requested

Members are asked to:

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

3.0 Reasons for Recommendations

- 3.1 The recommendation is required to ensure that the transformation and service delivery of the TSC continues in line with the service's goals, vision and objectives.

4.0 Report Background

- 4.1 At the 24 March 2017 meeting of this Committee, Members were asked to approve a report that set out the basis for the establishment of a shared services agreement for the services previously provided by CoSocius Ltd. In a previous meeting Members had agreed that ICT services would be hosted by Cheshire East Council and HR and Finance services would be hosted by Cheshire West and Chester Council.

At a meeting on 23 September 2016 the Committee decided to extend the initial period of transition to 31 March 2017 and on 24 March 2017 agreed to a two year transformation phase ending on 31 March 2019.

5.0 Financial Performance

- 5.1 There is a significant savings target associated with the delivery of services within the TSC. These are to be met through a variety of sources including service efficiency and volume driven demand reduction.
- 5.2 The Oracle replacement, due to go live in September 2018, will support the transformation of service delivery by standardising processes and encouraging the use of self-service.

6.0 Business Continuity and delivery against Service Definitions

- 6.1 Business Continuity remains a key priority for the service and since the transfer back into the Council service delivery has been improving. Monthly contractual performance reporting has been enhanced to include some additional, local key performance indicators that better reflect service priorities.
- 6.2 A new Senior Manager for the Transactional Service Centre was appointed in December 2017 with the aim of continuing to improve service delivery and address residual cultural issues. The cultural differences are derived from split locations and historic working practices.
- 6.3 Work continues to be undertaken to address the cultural issues. The new senior manager for the TSC is devising a people strategy which will ensure professional standards are adopted and incorporate a commitment to apply council policy consistently.
- 6.4 A new customer strategy is also being devised which will set out the standards expected in delivering services to the TSC's diverse customer base.

7.0 Development of a Strategic Business Plan

- 7.1 The Strategic Business Plan updated for 24 March 2017 Shared Services Joint Committee, sets out the clear direction of the service as part of the transformation phase.

The four core goals remain:

- Financial Stability
- Efficient, Effective services
- Customers and Residents First
- Cultural Development

The TSC Management team provides overall governance for the delivery of the plan and associated transformation activity.

- 7.2 A Shared Services Agreement has been operating successfully between the two Councils. An update to that document will be agreed, taking into account the overall strategic aims outlined in this report, covering the period 1 April 2018 through to the 31 March 2019. It is recommended that the two Council Section 151 Officers be given delegated authority to approve this agreement.

8.0 Demand Management

- 8.1 A key objective of the TSC remains to develop an 'efficient, effective service' by ensuring that activity caused by failure, avoidable or preventable demand is not inhibiting the delivery of the service. To address this, the service continues to monitor the demand management plan which seeks to eliminate or significantly reduce unnecessary demands on the service.
- 8.2 Linked to the demand management strategy, the development of the wider service, its resourcing and future structure continues to be supported by the Public Sector Reform team (PSR) West. This is through detailed activity analysis, process and procedural review, resource inputs and cost evaluation.

9.0 Service Catalogue and Payment Mechanism

- 9.1 A TSC product 'menu' and e-catalogue (excel spreadsheet) have been developed that provide, by service, area a 'drill down' view of all shared service activity.
- 9.2 The future payment mechanism for the TSC is under discussion and the future strategic direction will be agreed during 2018/19.

10.0 Exit Management

- 10.1 The joint shared service agreement outlines the provision for termination of the agreement by either party for the reasons of: expiry; material breach; non-fault termination; discharging council default; and force majeure event.

11.0 Legal Implications

- 11.1 The shared service agreement may require further amendment to reflect future decision(s) of Shared Service Joint Committee.

12.0 Risk management

- 12.1 All risks are noted and reported up through the agreed governance route to the Joint Officer Board.

13.0 Access to Information

- 13.1 The background papers, including access to the draft TSC Shared Services Agreement, relating to this report can be inspected by contacting the report writer:

Jude Green Senior Manager Transactional Service Centre
Cheshire West and Chester Council

Telephone 07500 976816

Email jude.green@cheshirewestandchester.gov.uk

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

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICES JOINT COMMITTEE

Date of Meeting:	16 April 2018
Report of:	Dominic Oakeshott – Chair of the Joint Officer Board
Subject/Title:	Shared Services Joint Committee Governance Update

1. Report Summary

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

2 Decision Requested

Members are asked to:

- 2.1 Consider the approach that they would like see adopted to the review of the governance arrangements for the Shared Services Joint Committee and provide guidance to update the formal constitutional documents to be brought to the May meeting of the Shared Services Joint Committee.

- 2.2 Agree to form a joint working group made up from representatives of this committee along with officers from the Joint Officer Board (JOB), who will consider and develop the ideas into a formal set of proposals, along with recast constitutional documentation.

3 Reasons for the recommendation

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

4 Background

- 4.1 The Shared Services Joint Committee was formed in 2009 after LGR, when it had responsibility for a wide range of shared activity between the two Councils (approximately 65 shared services). It was required to oversee the separation of County Council services between the two new Councils and ensure this was managed in an orderly and financially prudent manner. The current number of shared services has remained stable in the recent past and currently stands at eight as detailed below:

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

- 4.2 ICT Shared Services and the Transactional Service Centre (TSC) are the largest of the current shared services, both of which are transforming their service arrangements following a common approach. There is a further update on these two areas at this meeting.

- 4.3 The Archives and Local Studies Service is undertaking a review of its buildings estate and is working on proposals that will see a bid to the Heritage Lottery Fund (HLF) that will modernise the building infrastructure and through that the ways of working, continuing to share service across the County area. Updates on the projects are regularly reported through to this committee and will continue at later meetings.

- 4.4 The remaining five shared services are stable, with service managers and client managers working together to agree and implement service and budget plans through each Council's own planning processes. Outturn reports have not highlighted any areas of concern. The JOB met with the managers of these service areas and established that there are agreed commissioning plans and performance is reviewed as part of the normal Council(s) outturn processes. The nature of the shared arrangement has developed over the recent years resulting in more formalised shared arrangements, with the service and staff being provided by one or other of the Councils, operating under an agreed service contract.

- 4.5 Through this period of stability the JOB has reviewed the basis of commissioning and performance management and is suggesting that it might help the Joint Committee if there was one focussed performance meeting each year, where time could be spent reviewing both the commissioning plans and performance in the preceding year to be completed in one meeting. If the timing were right, say July, it could be possible to both look back at the preceding year and forwards to the remainder of the current year at the same meeting.
- 4.6 The Shared Services Joint Committee currently meets six times per year: May, July, September, November, January and March. Frequently there is insufficient business and that meeting been cancelled, whilst at other meetings the content has simply been short update reports, resulting in shorter meetings. One approach could be to reduce the number of meetings held each year. One meeting could be utilised to report on the performance of the five service areas mentioned in paragraph 4.5 above, with a further two meetings per year focussing on the three developing service areas (ICT, TSC and Archives) alongside the wider opportunities to share in other service areas. The JOB would look to develop a timeline of activity where the committee could add value to the sharing of services between the Councils, providing a focal point for wider shared opportunities. Taking into account developing the timeline, it could be possible to retain the remaining three meetings in the diaries, cancelling if no business were needed to be discussed.
- 4.7 The two Councils utilise a shared Joint Officer Board (JOB), which supports the Joint Committee with its work. The JOB has also evolved its membership and approach over the years helping to steer and shape the Joint Committee agenda. It is suggested that the JOB retains its role supporting and facilitating the work of the Joint Committee, focussing more of its activity and time on shared opportunities, whilst also reducing its frequency of meetings from bi-monthly to quarterly.
- 4.8 Following the discussion and conclusions at this meeting, it is suggested that a small working group is formed from members of this meeting along with officers from the JOB, who would work on the arrangements and reviewing and updating the SSJC Constitution, Terms of Reference and Financial Memorandum, alongside those of the JOB. The changed arrangements being included in a comprehensive update report to the May SSJC meeting, setting the revised governance in place for the future.
- 4.9 There are no specific HR or Finance implications however the stream lining will improve and increase the focus due to the nature of the suggestions whilst also reducing the work load and time commitment for all involved.

5.0 Access to Information

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

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