

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

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

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<b>Date of Meeting:</b>	29 July 2011
<b>Report of:</b>	Cheshire East – Borough Treasurer & Head Of Assets Cheshire West & Chester – Director of Resources
<b>Subject/Title:</b>	Shared Service Position Statement and Termination of Sharing Arrangements

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### **1.0 Report Summary**

- 1.1 This report provides a summary of the current position of the shared service arrangements between Cheshire East (CE) and Cheshire West and Chester Councils (CWAC). In particular it highlights those short term shared services that have recently disaggregated to enable a transition to separate delivery arrangements in each Council as planned.
- 1.2 Appendix 1 provides a summarised position statement on all current shared service arrangements.

### **2.0 Recommendations**

- 2.1 That Members note the overall position statement relating to current shared service arrangements
- 2.2 That Members agree the termination of the following Shared Services Agreements based on the information supplied in the relevant Transition Log:
- Commissioned Community Equipment Shared Service
  - Children's Centre Programme Management
- 2.3 That Members endorse the Emergency Duty Team Transition Log subject to an outstanding recruitment issue and delegate final sign off to the Joint Officer Board.
- 2.4 That Members agree the long term extension of the Archaeology Shared Service Agreement on the basis of the update to be provided at the meeting.
- 2.5 That Members consider the opportunity to be actively involved in a planned review of the Libraries Support Shared Service.

### **3.0 Reasons for Recommendations**

- 3.1 The position statement aims to ensure that the Joint Committee are up to speed on any developments concerning shared service arrangements.
- 3.2 The proposed termination of the transitional shared services listed have been agreed with operational managers from both Councils and the shared service managers in accordance with the general shared service governance.
- 3.3 The current sharing arrangements for the Archaeology and Planning Advisory Service are due to conclude at the end of July 2011 to be replaced by a revised agreement which requires formal endorsement by the Joint Committee.

### **4.0 Wards Affected**

- 4.1 This report relates to shared services that operate across both Cheshire East and Cheshire West and Chester so all wards are affected in both Councils.

### **5.0 Local Ward Members**

- 5.1 Not applicable.

### **6.0 Policy Implications including - Climate change - Health**

- 6.1 None.

### **7.0 Financial Implications for Transition Costs**

- 7.1 The Commissioned Community Equipment sharing arrangements and associated funding were transitioned to an existing but revised Partnership Agreement involving CE, CWAC and Cheshire's two Primary Care Trusts. No transitional costs were incurred
- 7.2 The Children's Centres Programme Management sharing arrangements concluded on 31 March 2010 at no cost to CE and CWAC.
- 7.3 The Emergency Duty Team transition costs were lower than anticipated due to delays in recruitment to the new arrangements in both councils. An overspend of £30k was incurred at outturn 2010-11 but this was due to higher than anticipated overtime being incurred to deal with emergency situations.

### **8.0 Financial Implications 20011/12 and beyond**

- 8.1 At the time of writing this report the work on finalising the revised shared service arrangement for the Archaeology Planning and Advisory Service is still to be completed and therefore it is intended that a financial statement be provided at the meeting.

## **9.0 Legal Implications**

- 9.1 As the sharing arrangements for this shared service are being revised, the following legal documents will need to be revised:
- The Service Agreements for these services;
  - The Secondment Arrangements for these services.
- 9.2 The Administrative Agreement sets out the overall arrangements in relation to the manner in which the Authorities will work together.
- 9.3 A formal resolution of this Committee is necessary to provide a legal basis for the termination of the sharing arrangements listed in paragraph 2.2 and the revised agreement for the Archaeology Planning and Advisory Shared Service.

## **10.0 Risk Management**

- 10.1 There is a risk that where disaggregation of shared service arrangements are not formalised, that oversights may occur leading to deficits or imbalance in service delivery in the new arrangements put in place by former partners.

## **11.0 Background and Options**

- 11.1 Legal arrangements, business plans and service delivery statements have been developed for all shared services and presented to the Joint Officer Board and the Joint Committee.
- 11.2 The Business Plans supplement the Service Agreement. They provide details of the shared service operation, plans and investment for the next three years. These are regularly reviewed to ensure that they continue to meet the requirements of both councils.
- 11.3 All services are now working in accordance to these agreements and plans, delivering services to both Councils under the guidance of the Joint Officer Board and the Joint Committee.
- 11.4 A number of shared services have committed to undertake strategic reviews to determine the most appropriate delivery model for the future in the business plans. The Business Plans for 2010-13 have recently been reviewed in terms of service to be delivered in the current year and the outcomes of this exercise are reported elsewhere on the agenda.
- 11.5 An overview providing a current position statement on each shared service is contained in Appendix 1.

## **12.0 Extended Sharing Arrangements**

- 12.1 The Archaeology Planning and Advisory Shared Service was due to disaggregate in favour of a Service Level Agreement between CWAC (the provider) and CE (the client). However during the negotiations consideration

was given to an improved sharing arrangement. It was envisaged that these would be in place by the end of June 2010 but given the added complexity of the new arrangements and the time taken to formalise these the Chairman and Vice-Chairman of the Joint Committee were requested to agree a short extension until the end of July to enable the legal process to be completed. An update on progress will be tabled at this meeting to enable the endorsement of the recommendation to continue the shared service under revised arrangements.

### **13.0 Transitioning Shared Services**

13.1 During 2010-11 the transition of several short term shared services has been completed with activity disaggregating to new arrangements CE and CWAC. This includes the services listed below and details of the completed transitional activity can be found in the appendices:

- Commissioned Community Equipment Shared Service (Appendix 2)
- Children's Centre Programme Management (Appendix 3)
- Emergency Duty Team (Appendix 4)

13.2 The governance supporting the shared service agreements require that the Joint Committee formally agree the termination of these sharing arrangements.

13.2 In terms of the Emergency Duty Team it should be noted that the appointment of a Team Leader for CWAC is currently outstanding. However it is requested that Members endorse the transition log in its current state and delegate the final sign off to the Joint Officer Board once an appointment has been confirmed.

13.3 Transitional activity continues in several other areas as noted in Appendix 1.

### **14 Libraries Support Shared Service Review**

14.1 The Libraries Support shared service comprises of specialist and business support functions to support libraries and customers in CE and CWAC. Its aim is to provide cost-effective and efficient services for clients and to drive and support innovations within the service.

14.2 One of this shared service's key objectives is to co-locate its activity to a single site. This will involve the relocation of teams currently accommodated in Hoole Road, Chester, Ellesmere Port and Runcorn to new premises in Hartford Way, Chester with a view to securing economies of scale and further efficiencies. In order to identify these savings and to decide the future shape of the shared service the Shared Service Manager is proposing to undertake a service review as soon as the co-location project has been completed.

14.3 It has been suggested that there may be some benefit in involving the Joint Committee in this review process particularly those members that have accountability for library services within the respective authorities. There is also

potential to join up this activity with the review of the Archives and Local Studies review for which Member participation has already been agreed.

14.4 The Joint Committee is requested to share its views on this suggestion.

## **15.0 Conclusion**

15.1 Good progress has been made on delivering the shared service agenda across Cheshire East and Cheshire West and Chester Councils. Activity to terminate short term arrangements is proceeding to plan although finalising the associated processes is taking a little longer than expected in practice.

## **16.0 Access to Information**

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

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### **Background Documents:**

*Cheshire East Cabinet Report – Shared Services – 7<sup>th</sup> October 2008*  
*Cheshire West and Chester Executive Report – Joint Liaison Committee*  
*Recommendations: Caretaker and Nominated Councils; Shared Services: Service Delivery Option; Shared Back Office Services – 15<sup>th</sup> October 2009*  
*Cheshire East Cabinet Report – Shared Services – 3<sup>rd</sup> March 2009*  
*Cheshire West and Chester Executive Report – Shared Services – 18<sup>th</sup> March 2009*  
*Cheshire East Cabinet Report – Shared Services – 23<sup>rd</sup> March 2009*  
*Cheshire Shared Services Joint Committee Report – 10<sup>th</sup> June 2009*  
*Cheshire Shared Services Joint Committee Report – 13<sup>th</sup> July 2009*  
*Cheshire Shared Services Joint Committee Report – 3<sup>rd</sup> September 2009*  
*Cheshire Shared Services Joint Committee Report – 30<sup>th</sup> September 2009*  
*Cheshire Shared Services Joint Committee Report – 26<sup>th</sup> October 2009*  
*Cheshire Shared Services Joint Committee Report – 26<sup>th</sup> November 2009*  
*Cheshire Shared Services Joint Committee Report – 3<sup>rd</sup> February 2010*  
*Cheshire Shared Services Joint Committee Report – 12<sup>th</sup> March 2010*  
*Cheshire Shared Services Joint Committee Report – 31<sup>st</sup> March 2010*  
*Cheshire Shared Services Joint Committee Report – 28<sup>th</sup> May 2010*  
*Cheshire Shared Services Joint Committee Report – 16<sup>th</sup> July 2010*  
*Cheshire Shared Services Joint Committee Report – 17 September 2010*  
*Cheshire Shared Services Joint Committee Report – 29 October 2010*  
*Cheshire Shared Services Joint Committee Report – 26<sup>th</sup> November 2010*  
*Cheshire Shared Services Joint Committee Report – 7<sup>th</sup> January 2011*  
*Cheshire Shared Services Joint Committee Report – 25<sup>th</sup> February 2011*  
*Cheshire Shared Services Joint Committee Report – 18<sup>th</sup> March 2011*

*Documents are available for inspection at:*  
*Cheshire East Democratic Services*

*Westfields*  
*Middlewich Road*  
*Sandbach*  
*CW11 1HZ*

*or:*

*Cheshire West & Chester Democratic Services*  
*HQ Building,*  
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