

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICES JOINT COMMITTEE

Date of Meeting:	20 th May 2016
Report of:	Sam Brousas – Cheshire West and Chester Council and Peter Bates – Cheshire East Council
Subject/Title:	Service Reviews

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 and to highlight future changes that will be outlined in more detail at the Shared Services Joint Committee in July.

2.0 Decisions Requested

Members are asked to:

- 2.1 Note the continued progress to date with the series of service reviews underway, and the opportunities for collaboration and sharing across both Councils identified so far.
- 2.2 Endorse a future change in title from the “Cosocius Service Reviews” to “Business Solutions Programme” to reflect the move of CoSocius to a shared service.

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.
- 4.2 In October 2015 the Shared Services Joint Committee took the decision to disaggregate the arm’s length ICT and Transactional Services trading company CoSocius Ltd with effect from 1st April 2016. The services previously provided being delivered in house through two shared service arrangements.

- 4.3 This report will provide an update to Members on the key themes and issues arising from the Service Reviews work to date, and an indication of the direction of travel for each area of review.

5.0 COSOCIUS TRANSFER PROGRAMME

- 5.1 The Service Review programme continues to be delivered alongside the wider transformational work being undertaken with in ICT Shared services. Progress with the transformational activities of both Shared Services will be reported to this Committee separately.
- 5.2 Given the competing demands placed by both Programmes on resources, the Service Review work is being managed carefully so as to minimise the impact on the transfer of functions and early transformational activities.

6.0 SERVICE REVIEWS – PROGRESS UPDATE

- 6.1 In February 2015 this committee agreed to the approach and creation of a review team to work with both Councils and the Company and to develop a value for money case for change that considers both councils future trajectories and the services provided by Cosocuis and the market.
- 6.2 The reviews to date have already outlined a number of opportunities for both Councils to share systems, have tested the market and have supported both Councils to align their approaches to procuring new systems in the future.
- 6.3 The programme of service reviews approved by Members at the previous Committee is summarised below:

Tranche 1	Initial Scope	Update in Brief	Review Status
Enterprise Business Systems	Assessment of the viability of this system to support future business requirements.	Viability Assessed; Proceeding to more detailed business case stage.	Complete
Health & Social Care (Adults & Children) & Children and Young Persons	Assessment of the underlying systems to support adults and children's service across both councils	Steps to align future procurements across both councils are being actively explored.	In Progress
End User Computing (desktop, mobile, etc.)	Identifying opportunities for harmonisation and enabling FMW.	Both Councils are in agreement on key steps to move forward jointly to harmonise systems, complexities regarding decommissioning are currently being worked through.	In Progress
Geographic Information Systems	Replacement for the outdated GIS solution and recognise opportunities for GIS as	Agreement between both Councils to adopt the same Open Source GIS Solution. Development	Complete

	a commercial offering.	and implementation for new solution is in progress.	
Business Intelligence and Reporting (MSBi)	Inform strategic direction and bring BI capabilities together with in Councils.	Both Councils Intelligence approaches and teams are being understood in more detail. Costs & Benefits for legacy reporting migration are being understood.	In Progress
Schools Information System (SIMS)	Cosocius positioned to respond effectively to the change in school's needs.	Links to wider schools strategies are being explored.	In Progress
Resource Planning (Homecare)	Both Councils to assess their needs for and working requirements together	Agreement to procure the same solution had been taken.	Complete
Customer Service	Understand implications and opportunities of contractual arrangements.	Key workshops between councils have taken place to understand both organisations customer service and digital approaches. A Joint Councils Design Authority concept is being defined.	In Progress
Planning and Building Control & Environmental Health	Evaluation of both business strategies and underpinning solutions	CWaC & CE alignment towards a single procurement is now being explored further.	In Progress

Tranche 1	Initial Scope	Update in Brief	Review Status
Revenues and Benefits	Assessment of the extensive systems estate and viability of the systems to support future needs of both Councils.	Both Councils have agreed to explore opportunities to procure ancillary services / systems.	In Progress
Cash Receipting and Income Management	Assessment of bringing both Councils systems and processes together and consideration for both Councils digital agenda.	Due to the considerable overlaps with ERP this review will be considered as part of the full business case.	Complete

Highways	Evaluation of both Councils Highways strategies and options for system collaboration.	Dependent on strategic decisions of each Council's future delivery model.	In Progress
Document Management	Review needs of Councils and CoSocius and recommend a standard document management solution going forward.	CWaC Requirements are being finalised.	In Progress
Elections	Evaluate both Elections team's strategies and adopted systems.	Recommendation to work jointly to procure the same solution at an appropriate time. Formal agreement on hold Paused due to the election and referendum activities.	On Hold
Transport	Evaluation of the Transport system solutions and assess options	CWaC have procured a new transport system and agreed to share key documents, CE are in the process of undertaking a cross-service Total transport review.	Complete

6.4 Progress against each review is outlined in more detail below.

Tranche 1 Reviews

Enterprise Business Systems

Status: Complete

6.5 Approval was given to proceed with the development of a more detailed business case, in support of a formal procurement process to replace both Council's current Oracle solution.

6.6 Due the scale and complexity of the Enterprise Business Systems project this will be reported to the Committee separately.

Health and Social Care / Children and Young Persons

Status – In Progress – Recommendations planned for July

- 6.7 Work is underway within CWaC to define the risks, costs and benefits of following the same procurement approach as CE of utilising the Crown Commercial Service Framework (RM1059) for Local Authority Software Applications (LASA) to maintain the current social care solution.
- 6.8 This would give both Councils contract and system stability for the medium term and would generate the opportunity for a joint hosting and support model. The potential for wider benefits such as shared developments and joint approaches to both the technical and process challenges of the Care Act, Complex Dependency and Integration with health.
- 6.9 Moving both Councils onto the same procurement model will provide the opportunity to review their business processes over the life of the contract and enable them to identify further efficiencies and/or best practice
- 6.10 CWaC have also extended their Tribal CYPD solution for a further 6 months to August 2016 aligning closer to the CE timescales. CWaC Tender specification has been shared with CE in order to review the feasibility of a joint procurement process.

End User Computing

Status – In Progress – Recommendations planned for July

- 6.11 Both Councils are in agreement to move forward with a Microsoft Modernisation Programme, maximising the benefit from both Councils having significant licencing arrangements in place with Microsoft.
- 6.12 Migrating away from the many 3rd party applications that have underpinned both Councils estate for the last few years is complex in nature and fraught with interdependencies between supported systems as such the benefits and decommissioning plan for both councils is being developed carefully.
- 6.13 Further work has been undertaken to explore opportunities to adopt the same or similar solutions to both Councils Flexible and Mobile Working needs.
- 6.14 Both councils are also in agreement with the need to reduce the volume of fixed telephony and plans are underway that consider options to jointly move away from the existing telephony solution.
- 6.15 Consideration to both Councils' Customer Services needs for advanced telephony functionality is being given by both CE and Qwest, who have collaborated on a set of telephony requirements; the impact of change can now be assessed.

Geographic Information Systems (GIS)

Status – Complete

- 6.16 As reported at the last committee both Councils agreed to adopt an open source GIS Solution

Business Intelligence and Reporting

Status – In Progress

- 6.17 This Service Review has focussed on the strategic adoption of an incumbent corporate BI tool – Microsoft Business Intelligence (MSBI).
- 6.18 The costs and benefits of migrating existing 'legacy' reports into MSBI are also being considered; the volume and complexity of both Councils legacy reports has led to difficulties in understanding the total costs and benefits of adopting MSBI as a corporate solution. Further work to progress this is planned.
- 6.19 Both CE and CWaC are in the process of moving towards a more coordinated intelligence function and as such will be using MSBI as part of a wider set of intelligence tools to address strategic questions that will help deliver better services.
- 6.20 Both Councils intelligence approaches will be understood in more detail to highlight synergies across organisations and potential opportunities for collaboration using wider supporting intelligence tools, processes and learning.

Schools Information Management System

Status – In Progress – Recommendations planned for July

- 6.21 This review has to date focussed on the Capita SIMS product, being the widely used system to deliver schools management and reporting capabilities to all types of school across the two Boroughs.
- 6.22 The solution and review is intrinsically linked to both Councils future strategy for supplying services and working with schools. The continuing trajectory of schools becoming Academies and having more budgetary control and choice in the near future has always been a consideration of this review with an aim of exploring the option of Councils brokering a common solution for academies. A recent Central Government consultation: Schools National Funding Formula has suggested that if local authorities wish to continue to provide services to schools they should do so as a traded service, giving individual schools the choice of buying into the service.
- 6.23 The findings and implications of the consultation will be considered in line with both Councils strategies.

Resource Planning – Homecare

Status – Complete

- 6.24 Both Councils took a decision to move forward with the procurement and implementation of the same replacement solution, being the “cloud” hosted version of the current product.

Customer Services and Website

Status – In Progress – Recommendations planned for July

- 6.25 This review focusses on the systems being used to deliver customer services and underpin both Councils Digital approaches identifying where possible opportunities to collaborate.
- 6.26 Through a recent workshop the scope of both Councils delivery arrangements entered into with external organisations (PWC & Qwest) are now understood in more detail between both organisations.
- 6.27 CWaC's Joint Venture Company (Qwest) have recently started a procurement process to replace the current CRM and Web Content Management systems, tender returns and evaluation is expected to take place in early May. The replacement of these key systems underpins the company's contractual obligations and key performance indicators regarding digitisation of services.
- 6.28 CWaC have been working closely with Qwest to ensure that a strategic and scalable solution is introduced and where possible opportunities to share with CE are explored. The reviews will understand the impacts and benefits of the preferred supplier's solution.
- 6.29 In relation to contact centre telephony requirements, CE and Qwest have captured requirements together and have agreed to undertake soft market testing at an appropriate time in order to identify the most appropriate solution to meet the needs of both organisations.

Planning and Building Control / Regulatory Services

Status – In Progress – Recommendations planned for July

- 6.30 Currently both Councils use a completely different set of products to deliver a similar set of service activities, both Councils are required to go to procurement in early 2017 presenting an opportunity to jointly procure.
- 6.31 CWaC Requirements have been developed and more formal discussions with CE are planned to explore the potential to jointly procure.

Tranche 2 reviews

Revenues and Benefits

Status – In Progress – Recommendations planned for July

- 6.32 Both Councils have agreed to explore opportunities to procure ancillary services and systems, a joint requirements definition exercise will be undertaken, leading to potential market testing and formal procurement processes in due course

- 6.33 The business case for a full system replacement for either Council would need to consider the potentially significant costs of change associated with this complex system.

Cash Receipting and Income Management

Status – In Scope of ERP Programme

Document Management

Status – In Progress – Recommendations planned for July

- 6.34 CWaC are in the process of finalising their requirements in this area, and will be working with CE to understand if one solution could be used as the basis of an approach which both Councils could adopt in order to reduce overall costs.

Highways

Status – In Progress – Recommendations planned for July

- 6.35 A deeper understanding of both Council current contractual scopes and future plans has now been achieved, there is a significant difference in the makeup of each authority's contracts both in terms of delivery through the varying mixture of commissioned and in house services and contract duration.
- 6.36 Further discussions with stakeholders in both Councils will be undertaken to understand the strategic direction for each authority and the future approach to the renewal of term maintenance contracts and the potential inclusion of ICT systems and support.

Transport

Status – Complete - CWaC Procurement complete key information shared with CE.

- 6.37 CWaC's Transport service had already begun a system reprocurement exercise which is now in the stages of Contract award. TSS have not been able to engage to the same timescales due to the ongoing "Total Transport" review, the outcomes of which will inform related system requirements across CE.
- 6.38 Via the service review process, key stakeholders within TSS have been engaged in this process in order to ensure the requirements defined by CWaC, and therefore the outcomes from the procurement process, could also be utilised by TSS in due course. TSS have been actively engaged in the CWaC procurement exercise, so as to maximise the potential for a shared solution in future.

Elections

Status – On Hold – Recommendations planned for July

- 6.39 Stakeholders in each Council have agreed in principle that a joint reprocurement exercise will be undertaken at an appropriate point in the medium term, having

regard for the ongoing suitability of incumbent solutions. The pattern of local, national and EU elections over the next few years points towards 2021 as a likely target date for a system replacement, unless a compelling business case can be developed to support a change in the shorter term, on the basis of financial savings to be achieved.

- 6.40 The service reviews will re-establish discussions and recommendations with the election stakeholders in both Councils post upcoming elections and produce a set of final recommendations.

7.0 FUTURE CHANGES

- 7.1 Throughout the Service Reviews there has been a recognition that in many of the service areas with in scope of the reviews, working practices are similar and wider benefits could be gained through understanding common practice and learning from both Councils.
- 7.2 The future approach for the Service Reviews would expand the current methodology to understand and capture these synergies with the aim of outlining cases for joint working, further opportunities to share and to underpin both Councils digital journeys.
- 7.3 To ensure future consistency and delivery CE & CWaC supported by the Service Review Team are in the initial stages of creating a Joint Design Authority to align our digital and technology plans around the needs of both Councils, ensuring opportunities to collaborate further can be taken.

8.0 Next Steps

- 8.1 To reflect the changes of CoSocius transferring to a Council Shared Service and the future transformation plan, the approach to this programme of work is currently being reviewed to ensure the output and recommendations achieve the best possible outcome for both councils and that opportunities to collaborate are taken.
- 8.2 An update and forward plan will be brought to this Committee in July to articulate any changes to how this overall programme of work will continue alongside the delivery of the new Shared Services for ICT and Transactional Services.

9.0 Wards affected

- 9.1 None.

10.0 Policy implications

- 10.1 None.

11.0 Financial Implications

- 11.1 Each Council spends a significant amount of money on provision of line of business applications. 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.
- 11.2 This committee is responsible for the oversight of management of the shared services to ensure effective delivery and to provide strategic direction. However approving the budgets for the functions discharged by the committee are reserved to the Councils and any future investment requirement will require approval by CWaC and CE respectively.

12.0 Legal Implications

- 12.1 Where the decisions flowing from reviews requires procurement activity, this will be carried out in accordance with the Public Contracts Regulations 2015, including any pre market consultation.

13.0 Risk management

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

14.0 Access to Information

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

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Background Documents:

Documents are available for inspection at:

Cheshire East Democratic Services

Westfields

Middlewich Road

Sandbach

CW11 1HZ

Or:

Cheshire West & Chester Democratic Services

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