

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

## **SHARED SERVICES JOINT COMMITTEE**

---

<b>Date of Meeting:</b>	22 September 2017
<b>Report of:</b>	Sam Brousas – Director of Professional Services (Cheshire West & Chester) Pete Bates – Chief Operating Officer (Cheshire East)
<b>Subject/Title:</b>	Joint Council ICT Review and Shared Service Agreement Update Report
<b>Portfolio Holder:</b>	Paul Findlow – Cheshire East Council, 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 the ICT Shared Service and Transactional Service Agreements and to introduce the presentation being provided to the committee by Ernst Young LLP on their findings on the optimum IT delivery model for the Councils.

### **2. Recommendation**

- 2.1. The delay in finalising the Shared Services Agreements for ICT and Transactional services is noted due to the need to incorporate the outcomes of the jointly commissioned independent review by Ernst Young LLP (EY) which will reflect the optimum IT delivery model.
- 2.2. That the presentation from EY is noted and that following receipt of the final EY report in mid-October the Councils will work collaboratively to agree governance to take forward the recommendations for the future of the ICT shared service (and any subsequent impact on the shared transactional service) to ensure the optimum ICT delivery model can be implemented.
- 2.3. The Committee note that the shared services agreements 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.

### **3. Reasons for Recommendation**

- 3.1. 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.
- 3.2. 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.
- 3.3. EY's presentation at committee will cover the outcomes of phase one:
  - Strategic priorities
  - Business requirements
  - Initial capability and maturity assessment
  - Leading practice comparisons
  - Initial recommendations.

The presentation will also cover the approach for phase two to produce:

- A Strategic ICT Blueprint
- A Target Operating Model Design for ICT
- An Outline Business Case

### **4. Background**

- 4.1. Further background is set out in the committee update reports dated 24 March 2017 and 19 May 2017.
- 4.2. The initial time line for the EY milestones has slipped due to delays in appointment through the Bloom Framework.
- 4.3. The updated Shared Service Agreements for ICT including the target operating model, agreed service catalogue, specifications, performance management and revised payments is dependent on agreement to key performance outcomes and milestones which in turn need to be shaped by the EY review.
- 4.4. The Transactional Services Agreement is also on hold to reflect any changes in the ICT delivery model and the requirements of the Best4Business programme.

### **5. Wards Affected and Local Ward Members**

- 5.1. All wards

### **6. Implications of Recommendation**

- 6.1. **Policy Implications**

Any implications will be fully set out in the cabinet report.

**6.2. 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.

**6.3. Financial Implications**

The EY review cost were approved by Committee on the 21<sup>st</sup> March (£150K).

The financial implications of any changes following the outcome of the review will be fully set out in the cabinet reports.

**Equality Implications**

There are no equality implications

**6.4. Rural Community Implications**

There are no impacts on the rural community

**6.5. Human Resources Implications**

Any implications on Human Resources will be fully set out in the cabinet reports.

**6.6. Health and Wellbeing Implications**

There are no implications on Health and Wellbeing

**6.7. Implications for Children and Young People**

There are no implications of Children and Young People

**6.8. Overview and Scrutiny Committee Implications**

There are no specific impacts.

**6.9. Other Implications**

None

**7. Risk Management**

- 7.1. The delay in agreeing the revised ICT and Transactional Services Agreements is impacting on the transformational programme. However, it is necessary that the outcomes from the jointly commissioned EY Review can shape transformation programme in order to achieve the optimum future ICT model and maximise return on investment for both councils.

- 7.2. The new ICT and Transactional shared services agreements will also need to incorporate the recently finalised duties set out in the contractual arrangements for B4B with Agilisys.

## **8. Access to Information**

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

## **9. Contact Information**

Contact details for this report are as follows:

<b>Name:</b>	Pete Bates/Sam Brousas
<b>Designation:</b>	Chief Operating Officer /Director of Professional Services
<b>Tel. No.:</b>	01270 686166
<b>Email:</b>	<a href="mailto:peter.bates@cheshireeast.gov.uk">peter.bates@cheshireeast.gov.uk</a> <a href="mailto:Samantha.brousas@cheshirewestandchester.gov.uk">Samantha.brousas@cheshirewestandchester.gov.uk</a>