



To: The Leader and Executive Councillor for Strategy and Transformation: Councillor Lewis Herbert

Report by: David Edwards – Interim Strategic Director

Relevant scrutiny Strategy & 20/3/2017
committee: Resources
Scrutiny
Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge
East Chesterton King's Hedges Market Newnham
Petersfield Queen Edith's Romsey Trumpington
West Chesterton

**SHARED SERVICES – 3C Legal and ICT 2017/18
BUSINESS PLANS**

Non – Key Decision

1. Executive summary

The 2017/18 business cases for the shared 3C ICT and 3C Legal services are presented for endorsement, the principles of which were approved by this Council on the 13th July 2015 and 12th October 2015.

2. Recommendations

The Executive Councillor is recommended the:

- 1) Business plans for each of the shared services attached at Appendix 1 are approved

3. Background

3.1. In July 2015, Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council each approved a lead authority model for shared services, where an agreed lead council would be responsible for the operational delivery of a service. It was also proposed

that impacted staff would be employed by the lead council via a Transfer of Undertakings (Protection of Employment Regulations) or TUPE Transfer as it is more commonly known.

3.2. The business cases to allow ICT and Legal shared services to move forward were approved at the same time and as a result, the three proposed shared services formally consulted with impacted staff and their representatives over the summer. Subsequently, preparations were made for the implementation phase, with a go-live date of 1st October 2015 (the date from which the nominated lead councils would become the Employing Authority and staff would transfer).

3.3 It was recommended that in order to enable effective management of the shared service programme, that a phased approach be taken. ICT and Legal services would form part of Phase 1.

3.4 On 1st October 2015, Cambridge City Council became the Employing Authority for Legal Shared Services and Huntingdonshire District Council became the Employing Authority for ICT Shared Services. All impacted staff from each service successfully transferred under TUPE to their new employer, where they were not already employed by the lead council.

3.5 The three councils had previously agreed that the achievement of the following outcomes is primary objective of sharing services:

- Protection of services which support the delivery of the wider policy objectives of each Council
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service
- Savings through reduced managements costs and economies of scale
- Increased resilience and retention of staff
- Minimise the bureaucracy involved in operating the shared service
- Opportunities to generate additional income, where appropriate
- Procurement and purchasing efficiencies, and
- Sharing of specialist roles which individually, are not viable in the long-term

3.6 Since the go-live date of 1 October 2015, each shared service has been working to review staffing structures, working practices and overall service provision in order to deliver the desired outcomes of the shared service partnership, as outlined above.

3.7 A key objective for each of the services has been the development of a set of forward-looking business plans that set out the key priorities,

objectives, activities and measures of success for each service. Both the ICT Shared Service and Legal Shared Service now have permanent Heads of Service in post who were appointed in the last six months. Whilst the content of the business plans is still developing along with the services the plans for 2017/18 can be found at Appendix 1. It is recommended that the business plans are endorsed to enable the Shared Services to work to an agreed direction and deliver against an agreed set of objectives.

3.8 The Head of each shared service will be responsible for the overall operation of that service, the delivery of the business plan and achievement of performance and financial targets. Work is being undertaken to further improve the value for money of the services with a consumption based model for Legal Services with a blended hourly rate which will also enable comparisons to be made to the private sector. For ICT the model is being built around core support, applications, projects and equipment. The ICT Team will also be working closely with the Council on the Digital Strategy. Whilst overall savings have been delivered this year the full 15% savings will not be achieved until 2017/18. The current projection for the two services is 8.5% savings for 2016/17. Further details will be included in the Annual Report.

3.9 The attached business plans have been approved by the Shared Services Joint Group whose role is to provide advice and oversight, to challenge and recommend for endorsement the shared service business plan and budgets. They act as an advisory body to the three councils only. Recruitment to the lead role for Building Control is currently underway and the business plan for that service will be presented to the Environment Scrutiny Committee in July 2017.

3.10 As agreed in the original business cases for Shared Services a Shared Services Annual Report for 2016/17 will be presented to this Committee at the meeting scheduled for 3 July 2017. This report will update members on benefits, progress and issues for the financial year 2016/17.

3.11 Heads of Service will be carrying out a service review of their service during the summer of 2017 and the results of these will be presented to this committee at the meeting scheduled for 9 October 2017.

4. Implications

(a) Financial Implications

Shared Legal and ICT has a minimum saving target of 15% of net revenue budget after income has been applied.

(b) Staffing Implications (if not covered in Consultations Section)

(c) Equality and Poverty Implications

An EqIA has been carried out for this project and submitted in July report to Strategy and Resources Committee, no changes.

(d) Environmental Implications

Low Positive Impact.

Reduction in accommodation and energy use associated will have a positive impact. Potential negative impact from increased travel will be mitigated by increased mobile and remote working.

(e) Procurement

None

(f) Consultation and communication

This will be conducted in accordance with the Councils agreed policy.

(g) Community Safety

This will be conducted in accordance with the Councils agreed policy.

5. Background papers

These background papers were used in the preparation of this report:
Shared services report – Strategy and Resources – 13th July 2015

6. Appendices

1. Business plans

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: David Edwards - Interim Strategic Director
Author's Phone Number: 01223 - 457325
Author's Email: David.Edwards@cambridge.gov.uk