



REPORT TO: Scrutiny and Overview Committee

6 March 2018

LEAD OFFICER: Director Health & Environmental Services

Shared Services Performance Update

Purpose

1. To update and seek the views of Scrutiny and Overview Committee on Shared Service performance and progress.

Recommendations

2. It is recommended that Scrutiny and Overview Committee comments on and notes the performance and progress of the Shared Services.

Background

3. The Shared Services Management Board comprising Directors of SCDC, Cambridge City and Huntingdonshire DC met on 24th January 2018 to review Quarter 3 performance reports and first-draft 2018-19 Business Plans for:
 - (a) 3C ICT
 - (b) 3C Legal
 - (c) 3C Building Control
 - (d) Greater Cambridge Waste Service
 - (e) Greater Cambridge Internal Audit Service
 - (f) Greater Cambridge Planning Service
4. The Performance Reports and Business Plans will be shared with the 3C Chief Executives Board and Leaders' Joint Advisory Group before going into the formal scrutiny and decision-making processes for each of the partner Councils.

Considerations

3C ICT

5. Overall, Service performance and project delivery is improving under Shared Head of Service Paul Sumpter, with customer satisfaction above 80% in November and December 2017. Service Desk performance is also very positive, helped by the relocation of Service Desk colleagues to be more accessible and visible in the ICT section in Cambourne. There remains a predicted budget overspend of around £774k across the 3 Councils, which creates an in-year pressure for SCDC of £190k. This budget overspend is the result of over-optimistic timescales for the delivery of savings in the original Business Case.
6. A major step forward this year has been the development of an 3C ICT Strategy , "Roadmap" and revised Business Casethat sees the remainder of the 15% targeted savings delivered over a 4 year period. This reworked business case has been fed into the SCDC Medium Term Financial Plan.

7. The 3C ICT Business Plan for 2018-19 focuses on implementing key “RoadMap” priorities to deliver service efficiencies and savings against the new budget. While there are many ICT projects underway at any one time, key projects being led and delivered by 3C ICT include:
 - (a) “Council Anywhere” – standardisation of the ICT hardware used across the 3 Councils, rolling out laptops to support more flexible working. The key efficiency and savings benefits of this project will not be delivered by the ICT equipment itself, but instead must be delivered by individual Services across SCDC by reviewing and implementing changes to working practices.
 - (b) Server Consolidation Project – this will replace, update and align the server hardware and systems used across the 3 Councils, reducing costs by around £200k in 2018-19.
 - (c) Waste System. This has been successfully procured for 3 Councils and will be implemented by August 2018, replacing 2 separate legacy systems at SCDC and City, plus a system at Huntingdonshire.
 - (d) Housing System.
 - (e) Environmental Health & Licensing system.
8. 3C ICT will also be supporting development and implementation of an SCDC Digital Strategy, and implementation of a new Planning system (led by the Planning Shared Service) and Financial Management System (led by Finance teams).

3C Legal

9. 3C Legal is reporting a very positive position under the leadership of Shared Head of Service, Tom Lewis. The budget and work-demand by each Council are on or very close to target, with spend on external legal advice 12% less when compared to this same period last year. Work continues to review this external spend, with no clear pattern emerging at this time to suggest alternative ways of meeting this specialised service need. 95% of litigation cases have been won.
10. The Business Plan for 2018-19 is under development, with consultation on-going with individual Services across the 3 Councils to identify priority legal work for 2018-19.

3C Building Control

11. Improvements at 3C Building Control continue following appointment of Heather Jones as the new Head of Service in Summer 2017. There is a focus on developing the commercial awareness of staff to increase current flat income and improve market share from 54% to at least 60%. A revised Business Case is also being developed. The service is likely to overspend budget by £70k in 2017-18 due to use of agency staff to cover vacancies in Q1 plus under-recovery of income, leading to a budget pressure of £11.5k for SCDC.

Other Shared Services

12. Greater Cambridge Waste Service and Planning Services already report directly into the SCDC performance management process considered by Cabinet on 7th February. Performance data is therefore not duplicated in this report.
13. Greater Cambridge Waste Service continues to embed the major service changes delivered over the past 9 months. A comprehensive review of these service changes and lessons learned was shared with Cambridge City Council Environment Scrutiny Committee in January 2018 and SCDC Scrutiny Committee in February 2018. Both committees have welcomed the detail of this review and the positive improvements of the service to residents after such a major change.
14. The 2018-19 Business Plan will continue to embed these changes as well as complete reviews of the SCDC Street Cleansing Service, Shared Trade Waste Service, joint review of Cambridge City and SCDC waste policies, and implementation of the new shared ICT system with a focus on delivering a digital customer service and operational efficiencies.
15. Jonathan Tully has joined Greater Cambridge Internal Audit Service at the end of December 2017 as Head of Service. An external inspection of the Service against the Public Sector Internal Audit Standards is about to start and will be reported to Corporate Governance Committee. Agency staff have been brought in to help deliver the 2017-18 internal audit plan, while work on the 2018-19 plan is now underway.

Governance Review

16. Governance of Shared Services is currently being reviewed to reflect the transition of ICT, Legal, Building Control, and Internal Audit shared services from “set-up” to “business as usual”, and to streamline reporting and reduce duplication of meetings. The proposal suggests:
 - (a) adopting the “Member Board” model currently used by Greater Cambridge Waste and Planning Services and to create a Member Board for ICT as a key enabling service. Quarterly Performance Reports received by these Members Boards will go straight into partner Councils’ performance reporting processes without further oversight (other than by exception).
 - (b) All other “business-as-usual” shared services (Legal, Payroll, Internal Audit, CCTV, Home Improvement Agency) will be overseen each quarter by the Shared Service Directors’ Management Board working with each Council’s nominated Shared Services lead Councillor (Cllr Nick Wright for SCDC). Again, performance reports will go straight into Councils’ performance reporting processes.
 - (c) Creation of a Shared Service joint CExs & Leaders Board to replace the current separate meetings. This joint Board will meet twice each year to agree Business Plans (October / February) and receive the Shared Service Annual Report (June). Further meetings will be convened as business requires.

Implications

17. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Financial

18. Overall, an outturn budget pressure of around £300k is forecast for SCDC across the Shared Services, arising from pressures in 3C ICT (£190k), 3C Building Control (£11.5k), and Greater Cambridge Waste Service (around £100k arising from extra trucks and staffing to support service change in Q1). This pressure is predicted to be balanced-out by Service underspends across the rest of SCDC.

Risk Management

19. Each Shared Service has or is developing a Service risk register to accompany its performance reports. Overall, as a result of the appointment of key staff, the re-working of the 3C ICT Business Case and the transition of existing Shared Services to “business as usual”, risk score associated with Shared Services on the SCDC Strategic Risk Register has been reduced. This was reported to SCDC Cabinet in February 2018.

Effect on Strategic Aims

Aim 1 – An Innovative & Dynamic Organisation

20. Consolidate existing Shared Services.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

Report Author: Mike Hill – Director, Health & Environmental Services.
Telephone: (01954) 713398