

**REPORT TO:** Scrutiny and Overview Committee

21 March 2019

**LEAD MEMBER:** Lead Cabinet Member for Customer Service and Business Improvement

**LEAD OFFICER:** Interim Executive Director - Corporate Services

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## **SHARED SERVICES 2019/20 BUSINESS PLANS**

### **Purpose**

1. To seek the Scrutiny and Overview Committee's comments on the 2019/20 Business Plans for the Shared Services, before they are submitted to Cabinet for comment and approval.
2. This is not a key decision and is being presented to Cabinet in accordance with the protocol set out in the Shared Service Partnership Agreement. Notice of the decision was first published in the February 2019 Forward Plan.

### **Recommendations**

3. That the Scrutiny and Overview Committee recommends to Cabinet that it:
  - 1) Subject to any comments made, approves the business plans for each of the Shared Services attached at Appendix 1.
  - 2) Delegates authority to the Shared Service Management Board to agree final amendments to the business plans in line with comments received from all three partner Councils.

### **Reasons for Recommendations**

4. The Shared Service business plans provide direction and set out how each service will meet agreed business case targets and contribute to delivery of the SCDC Business Plan 2019-2024. However, given that 3 Councils are commenting on these shared plans, a mechanism must be put in place to incorporate those comments. Delegating authority to the Shared Service Management Board will enable final amendments to be made to the business plans in line with comments received from all three partner Councils.

### **Executive Summary**

5. The attached business plans continue the progress that has been made over the last year establishing and stabilising Shared Services operational structures, controlling costs, and delivering the objectives of the original business plans.
6. The business plans, along with the strong working relationships between the partner organisations, have seen the shared services increasingly support new ways of

working, and the potential for greater efficiencies within the organisations particularly around the use of technology and modernisation.

7. The 2019/20 business plans will be required to be endorsed through each Council's individual decision-making processes. It is anticipated that Councils will have comments on the plans and to ensure these are included in the final versions, it is recommended that Cabinet delegate authority to the Shared Service Management Board (comprising Directors of each Council, including SCDC lead Director, Bob Palmer) to agree final amendments to the business plans in line with comments received from all partner Councils.

## **Background**

8. In October 2014, Cambridge City Council and South Cambridgeshire District Council approved a business case for a Shared Waste Service. After consultation Cambridge City Council staff TUPE'd to South Cambridgeshire District Council.
9. 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 agreed that shared service staff would be employed by the lead council via a Transfer of Undertakings (Protection of Employment Regulations) or TUPE Transfer.
10. The business cases for 3C ICT, Building Control and Legal shared services were approved at the same time and as a result, the three proposed shared services were created on the 1st October 2015 (the date from which the nominated lead councils would become the Employing Authority and staff would transfer).
11. In January 2017, Cambridge City Council and South Cambridgeshire District Council approved a business case for a Shared Internal Audit Service. South Cambridgeshire District Council staff were TUPE'd to Cambridge City Council and the service went live.
12. On 3 July 2017, Cambridge City Council and South Cambridgeshire District Council approved a business case for a Greater Cambridge Shared Planning Service. Following consultation, Cambridge City Council staff TUPE'd to South Cambridgeshire District Council on 1 April 2018.
13. The partner 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 management 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

14. Much of the work to develop staffing structures, working practices and service parameters has been completed, allowing the development of business plans using a consistent format containing key priorities, objectives, activities and measures of success.
15. The format of the Business Plans continues to evolve. A frequent comment in previous years was that they should be consistent. It will be evident that there is now greater consistency, though there is some variation that reflects the requirements of different services.
16. The Business Plans contain performance information to the point in the year that they were produced. The Shared Services Management Board monitors performance on a quarterly basis. The Annual Report will contain a comprehensive appraisal of performance and will be published in June / July.
17. A particular feature of the Business Plans for 2019/20 is their emphasis on financial performance compared with the baselines. The Business Plans demonstrate significant levels of savings.

### **Considerations**

18. 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.
19. The business plans are evolving, live documents that will change over time as stronger platforms for shared management information are built and shared service working practices and structures are reviewed.

### **Options**

20. An option could be not to support the documents or to recommend amendments. Any major amendments would be required to be considered and agreed by each of the partner Councils.

### **Implications**

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

#### ***Financial***

22. The Shared Service business cases contribute to and are in line with the SCDC medium term financial strategy agreed at Council in February 2019.

#### ***Staffing***

23. Staffing issues, changes and costs are detailed in each of the Shared Service business plans.

### **Consultation responses**

24. Significant consultation with staff and Unions took place during the establishment of the Shared Services.

### **Effect on Strategic Aims**

#### **Aim A – Growing Local Businesses and Economies**

25. The business plans for the shared Planning Service and the shared Building Control Service include work to support growing local businesses and economies.

#### **Aim B – Housing that is affordable for everyone to live in**

26. The work of the shared Planning Service is relevant here in ensuring that developments meet the council's requirements for affordable homes.

#### **Aim C – Being green to our core**

27. The general principle of shared services should help to achieve reductions in accommodation and energy use. The work of the shared ICT Service includes initiatives to increase mobile and remote working and this should lead to a reduction in car journeys.

#### **Aim D – A modern and caring Council**

28. All the shared services have workstreams that will modernise working practices and increase efficiency. The key service in enabling this for other services is the ICT Service.

### **Background Papers**

No background papers were relied upon in writing of this report.

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