

**Report to:**

**Cabinet**

**2 September  
2020**

**Lead Cabinet  
Member:**

**Cllr John Williams, Lead Cabinet Member  
for Finance**

**Lead Officer:**

**Liz Watts, Chief Executive**

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## **3C Shared Services Partnership Renewal Agreement**

### **Executive Summary**

1. The Partnership Renewal Agreement for 3C Shared Services (ICT, Building Control, Legal) is attached at Exempt Appendix 1. The agreement expires in September 2020 and the proposal is to extend it for another five years.
2. The draft agreement was considered by the Scrutiny and Overview Committee on 16 July 2020, and the committee supported the draft with no changes.

### **Key Decision**

3. The extension of the Partnership Renewal Agreement is a key decision and it was first published in the July 2019 Forward Plan.

### **Recommendations for Scrutiny and Overview**

4. It is recommended that Cabinet approves the Partnership Renewal Agreement for 3C Shared Services (ICT, Building Control and Legal).

### **Reasons for Recommendations**

5. The extension of the 3C Shared Service, following the first five years of its existence, is critical to maintain cost efficient and resilient service delivery.

## Details

### 6. Extension of 3C Partnership Agreement (Appendix B)

7. Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils have been sharing ICT, Legal and Building Control services since 2015. The Shared Services Agreement has been in place since then and lasts until 30th September 2020. The renewal process offers the opportunity significantly to enhance the services' strategic vision, to ensure they each fulfil the three councils' requirements of them and are resilient, and to streamline their governance arrangements.
8. The proposed changes to the agreement are outlined in the following paragraphs.
9. The current agreement expiry date of 30<sup>th</sup> September 2020 will be amended to 30<sup>th</sup> September 2025
10. The Agreement contains the original Principles of Collaboration and these are considered still to be sound. However, it was felt that the services required a stronger strategic vision. The general objectives of the Shared Services will therefore be updated as the following:
  - To operate in partnership and support the objectives of the 3 Councils.
  - To inform the strategic direction of the authorities through the provision of guidance and advice.
  - To act as a catalyst of business change that promotes the transformation agenda of the 3 councils.
  - To provide further enhancement of services which support the delivery of the wider policy objectives of each Council.
  - To simplify and work harmoniously between services and authorities to deliver a more seamless, planned and predictable end-to-end service, which effectively delivers outcomes to residents.
  - Ongoing delivery of services that are genuinely shared, where appropriate, 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.
  - To help identify and support the realisation of savings within the organisations where current ways of working do not maximise the opportunities for efficiency and effectiveness, within your areas of influence.
  - To deliver savings through, but not limited to, drivers of costs, reduced overhead costs and economies of scale.
  - Increased resilience through the recruitment and retention of high calibre staff by delivering greater succession planning and reduce reliance on the external recruitment market.

- Minimise the bureaucracy involved in operating and interacting with the shared service.
- Pursue opportunities for working with new partners where the opportunity to generate additional income or deliver significant operational or strategic benefits to the authorities exists.
- To pursue procurement and purchasing efficiencies between partners and where appropriate beyond the organisations.
- Sharing of specialist roles which individually, are not viable in the long-term.
- To deliver a customer focussed service, which has the understanding and meeting of customer needs at its heart
- To operate in a transparent way on an individual council basis in relation to financial and operational performance and reporting. To work towards harmonised arrangements in these respects during the life of the Agreement.
- To adopt as a minimum a quantitative performance management culture – one that takes into account the perspectives of residents, staff, shared services, the 3 councils and elected Members.

11. The Governance arrangements are being updated to ensure the services each fulfil the three councils' requirements of them and are resilient, the remits of the various aspects of the Shared Services governance structure have been reviewed. There is clear responsibility for:

- considering and making recommendations on strategic direction.
- recommending early decisions on strategic matters.
- having advance sight of materials to be submitted to Council Executives and formal meetings.
- identifying recommendations for the three authorities when additional resources are required, and
- reviewing performance and operational matters in relation to any of the services.

12. The three services are now operating on a Business as Usual basis, so it is safe to streamline the governance arrangements to an appropriate level. To this end, the remits of the various aspects of the Shared Services governance structure have been amended to ensure they are efficient and effective going forward. The revised remits appear in the Schedules to the new Agreement. Within this arrangement the Joint Shared Services Group has political oversight of the Shared Services and will be responsible for receiving the individual services' Business Plans and Annual Reports. This will obviate the need to subject these documents to the three councils' formal decision-making processes.

13. Schedule 5 references to Cost Share calculations are updated in line with S151 Officer agreement.

14. Schedule 7 is the Exit Provisions, an entirely new schedule.

## **Implications**

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

### **Financial**

16. Continuing to share these services will enable the council to deliver cost effective services that have increased resilience by virtue of their size.

### **Legal**

17. The Partnership Agreement has been reviewed by Legal.

### **Risks/Opportunities**

18. Any disruption to the delivery of these services would cause significant risk to the council, and therefore it is important to agree the extension of the 3C shared service in good time. The current agreement expires in September.

## **Alignment with Council Priority Areas**

### **A modern and caring Council**

19. Delivery of resilient and cost efficient services, which perform to a high standard is key to being a modern and caring Council.

## **Background Papers**

### **Appendices**

Exempt Appendix A: Draft Partnership Agreement for 3C Shared Services

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**Exempt Appendix A – Draft Partnership Agreement**