

Shared Services Joint Committee

Wednesday, 13th January 2021, 6.00 pm
Microsoft Teams

Agenda

Apologies

- 1 **Minutes of meeting Wednesday, 7 October 2020 of Shared Services Joint Committee** (Pages 5 - 8)
- 2 **Declarations of Any Interests**

Members are reminded of their responsibility to declare any pecuniary interest in respect of matters contained in this agenda.

If you have a pecuniary interest you must withdraw from the meeting. Normally you should leave the room before the business starts to be discussed. You do, however, have the same right to speak as a member of the public and may remain in the room to enable you to exercise that right and then leave immediately. In either case you must not seek to improperly influence a decision on the matter.
- 3 **Financial Update** (Pages 9 - 12)

To receive and consider the report of the Section 151 Officer.
- 4 **Exclusion of the Public and Press**

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 4 of Part 1 of Schedule 12A to the Local Government Act 1972.

By Virtue of Paragraph 1: Information relating to any individual.
Condition:
Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information)
Condition:

Information is not exempt if it is required to be registered under-

The Companies Act 1985

The Friendly Societies Act 1974

The Friendly Societies Act 1992

The Industrial and Provident Societies Acts 1965 to 1978

The Building Societies Act 1986 (recorded in the public file of any building society, within the meaning of the Act)

The Charities Act 1993

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

By Virtue of Paragraph 4: Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority.

Condition:

Information is exempt to the extent that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to Regulation 3 of the Town & Country Planning General Regulations 1992(a).

5 **Creation of a shared events team**

(Pages 13 - 28)

To receive and consider the report of the Deputy Chief Executive.

6 **Phase 2: Service Review Update**

(Pages 29 - 42)

To receive and consider the report of the Deputy Chief Executive.

Gary Hall
Chief Executive

Electronic agendas sent to Members of the Shared Services Joint Committee Councillor Alistair Bradley (Chorley Council) (Chair), Councillor Paul Foster (South Ribble Council) (Vice-Chair) and Councillors Martin Boardman (Chorley Council), Colin Clark (South Ribble Council), Graham Dunn (Chorley Council), Margaret France (Chorley Council), Councillor David Shaw (South Ribble Council), Councillor Margaret Smith (South Ribble Council), Matthew Tomlinson (South Ribble Council) and Peter Wilson (Chorley Council).

Electronic agendas sent to Shared Services Joint Committee reserves for information.

If you need this information in a different format, such as larger print or translation, please get in touch on 515151 or chorley.gov.uk

This page is intentionally left blank

**MINUTES OF SHARED SERVICES JOINT COMMITTEE****MEETING DATE** Wednesday, 7 October 2020**MEMBERS PRESENT:** Councillor Alistair Bradley (Chair), Councillor Paul Foster (Vice-Chair) and Councillors Martin Boardman, Colin Clark, Graham Dunn, Margaret France, Councillor David Shaw, Councillor Margaret Smith, Matthew Tomlinson and Peter Wilson**OFFICERS:** Gary Hall (Chief Executive), Chris Sinnott (Deputy Chief Executive), Chris Moister (Director of Governance) and Ruth Rimmington (Democratic and Member Services Team Leader)**20.42 Minutes of meeting Wednesday, 2 September 2020 of Shared Services Joint Committee****Decision: (Unanimous) That the minutes of the Shared Services Joint Committee held on 2 September 2020 be held as a correct record.****20.43 Declarations of Any Interests**

Gary Hall, Chief Executive declared a pecuniary interest in item 4 Shared Services Phase 2, appendix f: Proposals for a Shared Chief Executive.

Councillor David Shaw declared a personal interest item 4 Shared Services Phase 2, appendix f: Proposals for a Shared Chief Executive as Gary Hall's ward councillor.

20.44 Exclusion of the Public and Press**Decision: To exclude the press and public for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1, 3 and 4 of Part 1 of Schedule 12A to the Local Government Act 1972.****20.45 Shared Services Phase 2**

Councilor Alistair Bradley proposed that the Committee discuss each appendix in turn and then take the decisions at the end of the debate.

Joint Digital Strategy 2021-24

Chris Sinnott, Deputy Chief Executive presented appendix B: Joint Digital Strategy 2021-24. The strategy has 4 key themes designed to achieve our shared vision and address the key drivers for change:

- Work
- Place

- People
- Data and Intelligence

Members supported the Strategy and thanked the staff involved in producing it. The importance of this Strategy given the impact of Covid-19 and many staff working from home was acknowledged. The long-term implications and effectiveness of working from home will be reviewed moving forwards.

The digital implications of the recent Planning white paper were noted. Members were mindful of those residents who are not confident with technology and the need for digital inclusion.

The recently revised Digital Strategy for South Ribble will be forwarded to Councillor Clark following the meeting.

Developing Shared Customer Services

Chris Sinnott, Deputy Chief Executive presented appendix D: Developing Shared Customer Services. A single model will enable both councils to deliver customer transformation on a bigger scale, working in a more agile way to make the best use of the collective workforce to achieve shared objectives and greater efficiency.

Both councils will gain economies of scale through shared systems and processes but retain individual culture and identity through the way in which customers interact with the service.

Members noted that, whilst this is a challenge, many of the building blocks required are already in place. The seven service design principles set out within the report are key to delivering excellent customer services for the residents of both Boroughs. The growth of population was discussed and the increase in demand for services.

The approach of undertaking a service review in the New Year will enable staff to feed into the proposals before making any changes. All proposals will be brought back to the Joint Committee before consideration at each Council.

Proposals for Shared Leadership and Management

Chris Sinnott, Deputy Chief Executive presented appendix E: Proposals for Shared Leadership and Management. The report sets out the benefits and risks. Benefits include vision and direction, efficiency and resilience, whilst risks include loss of sovereignty, management pressure and external developments.

Members noted the concept of a single management team has been tested through the response to Covid-19 where a single Business Continuity Management Team was set up for Chorley and South Ribble. This has worked well.

A query was raised over the title 'Director of Place'. The need for a Deputy Chief Executive role will be included within the Council reports. The need for effective deputies was noted, for example, if a conflict of interests arose.

Members will be involved in the appointment of the Shared Leadership Team and noted that there is a risk of redundancy for one member of staff. Members expressed concern at the pace of the proposals, but acknowledged that the majority of staff appreciate certainty, not delay, in these circumstances.

The inclusion of Streetscene in the Customer and Digital Directorate was queried, and an explanation given, that the majority of work for this team is reactive from Customer Services.

The chart on agenda page 78 will be updated to reflect that both organizations currently have a Chief Executive in their structure. Clarity in the structure chart as to those posts in question was requested.

A joint Member Learning Session was requested to run through the proposals and the structure prior to the Council meetings was agreed.

Gary Hall left the meeting at 7.10pm.

Proposals for a Shared Chief Executive

Chris Sinnott, Deputy Chief Executive presented appendix F: Proposals for a Shared Chief Executive. Members considered the risks and opportunities set out within the report and the initial comments from the Chief Executive/Interim Chief Executive were noted.

The three potential approaches were discussed and the difficulties in recruiting Chief Executives'. Each option was discussed and Members expressed their views, including that Gary Hall is an excellent Chief Executive.

- a) Decision: (unanimously) to adopt the joint digital strategy.**
- b) Decision: (unanimously) to adopt the proposed model for a shared customer services function.**
- c) Decision (8:2) to approve the development of a single shared leadership team for both councils, as set out in the report.**
- d) Decision (2:8) to agree none of the proposals within the report regarding the preferred approach to establishing a joint Chief Executive.**
Decision (8:2) to agree approach 3 within the report regarding the preferred approach to establishing a joint Chief Executive.
- e) Decision: (unanimously) to approve the proposed savings**
- f) Decision: (unanimously) to support a review of the pay policy to ensure a consistent approach to senior salaries.**

Chair

Date

This page is intentionally left blank



Report of	Meeting	Date
Deputy Director of Finance (Section 151 Officer)	Shared Services Joint Committee	Wednesday 13 January 2021

FINANCIAL UPDATE

PURPOSE OF REPORT

1. This report provides an update on the budget position of Shared Services following implementation of Phase 1 reviews.

RECOMMENDATION(S)

2. It is recommended that members note the current split of budgets within Shared Services and the ongoing budget alignment work.

EXECUTIVE SUMMARY OF REPORT

3. The report summarises the budgets that fall within Shared Services following the Phase 1 reviews.

Confidential report Please bold as appropriate	Yes	No
--	-----	-----------

CORPORATE PRIORITIES

4. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy homes and communities		An ambitious council that does more to meet the needs of residents and the local area	

BACKGROUND

5. Shared Services has expanded significantly to encompass a significant level of budget areas. With the Phase 2 reports recently approved there is now in excess of £7m of budgets in this area.
6. Previous reports have detailed the savings resulting from these reviews. Table 1 below summarises these savings.

Table 1: Summary of Shared Service Savings To Date

	(Savings)/Additional Cost		
	CBC	SRBC	Total
Initial Phase – Senior Roles	-57,000	-251,717	-308,717
Communications and Visitor Economy	8,181	-8,181	0
Transformation and Partnerships	-91,369	6,665	-84,704
Governance	-30,803	57,215	26,412
Grades and Travel	-6,000	36,000	30,000
Phase 1 - Total	-176,991	-160,018	-337,009
Chief Executive	-58,304	-75,741	-134,045
Director Posts	-90,199	-52,687	-142,887
Phase 2	-148,503	-128,428	-276,932
Total Savings	-325,494	-288,446	-613,941

BREAKDOWN OF SHARED SERVICES BUDGETS

- Shared Services has expanded significantly in the last few months. Table 2 illustrates the total of budgets now within Shared Services and where the budgets is managed across the two Councils. Note this is not the contribution from each Council but where budgets are managed – in a service able to be completed shared the budgets would all be managed at the ‘host’ authority.

Table 2: Shared Services Budgets by Authority Hosting

Shared Service	Shared Service	Overall Budget	CBC Element	SRBC Element
Communications and Visitor Economy	South Ribble	846,375	183,620	662,755
Governance	South Ribble	3,168,593	938,740	2,229,853
Shared Financial Services	Chorley	1,572,038	1,474,240	97,798
Transformation and Partnerships	Chorley	1,476,602	1,336,740	139,862
Shared Director Posts	Both	414,029	207,015	207,015
		7,477,637	4,140,355	3,337,283

- The table illustrates that where the service is hosted within a Council the vast majority of budgets are also managed within that authority as the majority of budgets shared so far relate to staffing. For all of the budgets that are shared a relevant contribution is made as detailed in below. This is especially true for Shared Financial Services which due to the length of time sharing those services the budgets have been aligned to the point that those remaining outside the host authority are only those that cannot be managed outside of it (in this case largely audit fees and direct treasury charges).
- The contributions to each service by Council varies considerably due to a few factors. There are a number of budgets which are exclusive to a particular Council and these largely fall into the Communications and Visitor Economy section where budgets for Astley Hall and Chorley events are held meaning a greater contribution required to the service. In Governance budgets for Civic Services and buildings are held within the Department for Chorley but not at South Ribble again meaning a greater overall contribution required by Chorley for services exclusive to that Council..

Table 3: Budgets by Contribution

Shared Service	Shared Service	Total Budgets	CBC Contribution	SRBC Contribution	Comment
Communications and Visitor Economy	South Ribble	846,375	664,496	181,879	Difference is largely Astley Hall and events budgets
Governance	South Ribble	3,168,593	2,132,445	1,036,148	Difference is Civic Services and Buildings within Chorley budgets
Shared Financial Services	Chorley	1,572,038	855,295	716,743	Differences in finance charges and other budgets included at Chorley
Transformation and Partnerships	Chorley	1,476,602	862,727	613,875	Difference is Core Funding Grants at Chorley
Shared Director Posts	Both	414,029	207,015	207,015	
		7,477,637	4,721,978	2,755,660	

10. Reviews undertaken to date have largely focused on staffing budgets. Of the services reviewed to date this has been the majority of costs involved so non-staffing costs have not required much investigation.
11. Work is now ongoing to identify whether it is possible to bring together non-staffing budgets across the two Councils. Some budgets will not be possible to combine for either; legal reasons, services relating 100% to one Council area or due to differing approaches within each Council. Other budgets will become more aligned as Shared Service processes develop and this should make them easier to combine.
12. The overwhelming majority of budgets are either split 50/50 or 100% recharged to the other Council where the whole of that service or specific charge element is only relevant to it. There are very few current exceptions to this. Current exceptions in shared service staffing teams include:
 - Shared Financial Services - The Management accounts team in Shared Financial Service is current charged as per the staff working on each Council. Following a recent review this will be aligned from 2021/22 budgets and will become 50/50.
 - Communication and Visitor Economy – the Events Team review is attached with these papers detailing a proposed split.
 - Communication and Visitor Economy – the Museum, Tourism and Culture team is split according to the services delivered.
 - Transformation and Partnerships – There are three posts specific to Chorley within Programme Management.
 - Governance – The Licensing Team is currently included within South Ribble although will be changing following recent Director Reviews.
 - Governance – There is a Health and Safety post at Chorley for which there was no direct equivalent at South Ribble within the shared Governance directorate.
13. Over 21/22 budgets will be examined and proposals to combine or align brought forward if appropriate.

IMPLICATIONS OF REPORT

14. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	X	Customer Services	
Human Resources		Equality and Diversity	
Legal	x	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

15. Financial implications are as detailed in this report.

COMMENTS OF THE MONITORING OFFICER

16. No Comments

JAMES THOMSON
DEPUTY DIRECTOR OF FINANCE

Report Author	Ext	Date
Neil Halton		21/12/20

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank