

Report of	Meeting	Date
Director of Change and Delivery	Shared Services Joint Committee	Monday, 27 June 2022

## Shared Services Future Development

Is this report confidential?	No
Is this decision key?	
Savings or expenditure amounting to greater than £100,000	No

### Purpose of the Report

1. This report outlines the proposed approach for the delivery and implementation of phase 3 of shared services.

### Recommendations to Shared Services Joint Committee

2. To recommend the proposed approach for phase 3 of shared services for discussion at Councils. The proposals include:
  - Approval to commence the shared services review for the Property and Assets function.
  - To review further opportunities for sharing following the phase 3 service reviews.

### Reasons for recommendations

3. To continue to progress opportunities that have been identified for shared services, in line with the principles agreed by both Councils in February 2022.

### Other options considered and rejected

4. The report outlines other opportunities for sharing functions which have been considered but are not being proposed for sharing at this time. These will be reviewed within 6-12 months once progress has been made on undertaking the proposed reviews and changes.
5. The other option would be to not progress any further functions for sharing. This has been rejected as both Councils agreed in February 2022 to review further opportunities for sharing as part of the approach to the future development of shared services.

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## Background to the report

6. In line with agreements made by the two partners, the scope of the shared services arrangement between Chorley Council and South Ribble Borough Council has increased considerably in the last two years. From the longstanding shared financial and assurances services, shared services now includes 47% of the workforce for the two councils including:
  - Phase 1: Governance, Transformation and Partnerships and Communications and Visitor Economy
  - Shared Chief Executive and Directors
  - Phase 2: ICT and Customer Services
7. Alongside the sharing of staff and services, the councils have adopted shared terms and conditions and a shared HR policy framework for staff within shared services.
8. In February 2022, the councils agreed refreshed principles and proposals for the future development of shared services including:
  - a) A **management review of capacity** across the councils
  - b) To develop proposals **for a further phase of shared services**.
  - c) **Proposals for developing additional capacity in key priorities**. Proposals for a Strategic Lead for Future Investment and Development, Director Change and Delivery, shared resource for capital projects and shared pest control service were also agreed.
9. The proposals for developing additional capacity in priority areas have now been progressed and this report considers the proposals for a further phase of shared services, with the full report and recommendations for this available in Appendix A. This will be followed by the management review of capacity.

## Summary of proposals

10. It is proposed that the next phase of shared services consists of the Property and Asset functions. This has been determined by evaluating opportunities for sharing across the councils, alongside prioritising services for review based on the areas where sharing will have the most impact. Functions have been prioritised in relation to:
  - a) ease of implementation
  - b) current staffing circumstances such as several vacancies, temporary arrangements or hard to recruit to posts where a service review would be beneficial
  - c) the scale of opportunity for sharing.
11. The review of Property and Assets is likely to be followed by the Business Support/ Economic Growth function which has been identified as having opportunities for sharing but will not be progressed immediately to allow for both councils to refresh their Economic Strategies and reflect on key priorities as the boroughs recover from the Covid-19 pandemic. Further opportunities for sharing have also been identified for Public Protection/ Environmental Health and Spatial Planning/ Planning Policy but it is proposed to not progress these immediately, particularly as there are other major pieces of work

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such as the Local Plan already being undertaken across the services. These will be reviewed alongside other opportunities for sharing following the service review for Property and Assets.

12. Small scale proposals will continue to be identified and actioned where there are benefits in terms of skills, resilience or savings, such as the approach which has been taken for the Pest Control Service.
13. The report also includes details of the proposed approach to the implementation of phase 3 of shared services, using lessons learned from phase 1 and 2 to minimise disruption to existing service delivery throughout the transition process.

## **Update on review of management capacity**

14. As outlined above, the councils agreed to undertake a review of management capacity to ensure that the senior management structure supports the councils in delivering their priorities and high quality services. This review is underway and will produce separate reports and recommendations for each council.
15. The review will take into account the shared services already in place and the recommendations for the extension of shared services through phase three. The reports and recommendations will be presented to the relevant committee for consideration and decision at each of the councils. The reports will also be presented to the shared services joint committee before the proposals are finalised following consultation.

## **Next steps**

16. If recommended by Shared Services Joint Committee, the proposals will be presented to each Council in July.

## **Climate change and air quality**

17. The work noted in this report does not impact the climate change and sustainability targets of the Councils' Green Agenda and all environmental considerations are in place.

## **Equality and diversity**

18. An Equality Impact Assessment (EIA) will be carried out as part of the service reviews for the shared functions. The reviews will be carried out in line with the Shared Change Policy which sets out several opportunities for engagement through informal and formal consultation and aims to obtain staff feedback from a diverse range of perspectives.

## **Risk**

19. A full risk register is developed for shared services and is reviewed regularly through Shared Services Monitoring Reports to Shared Services Joint Committee.

## **Comments of the Statutory Finance Officer**

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20. There are no financial implications at this point. Each individual change will have its own financial commentary and explanations of the outcomes. Shared Services is already well embedded within budgets and monitored on a monthly basis. Savings of around £1.7m have already been made across both Councils in previous reviews.

## Comments of the Monitoring Officer

21. There are no direct legal implications at this point. When introducing any changes the councils will follow the relevant Change Policy and adhere to good HR practices.

## Appendices

Appendix A- Shared Services Phase 3

Appendix B- Shared Services Criteria

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