

Report of	Meeting	Date
Director (Policy and Governance)	Overview and Scrutiny Performance Panel	01/12/2016

SCRUTINY FOCUS: SHARED SERVICES

PURPOSE OF REPORT

1. To provide contextual information and initial questions for focus to the performance panel for shared services performance.

RECOMMENDATION(S)

2. That the context and questions be discussed at the Overview and Scrutiny performance panel, with a view to understanding performance.

Confidential report Please bold as appropriate	Yes	No

CORPORATE PRIORITIES

3. 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 communities		An ambitious council that does more to meet the needs of residents and the local area	x

BACKGROUND

4. In its terms of reference, the overview and scrutiny performance panel agreed that at each meeting, as well as considering performance reports, one area of service delivery would be identified for a focus at the meeting. For the December meeting, shared services have been selected.
5. This report provides contextual information about the current performance of shared services, and suggests some questions for initial discussion. This will enable the panel and relevant officers and Members to prepare in advance of the meeting.

PERFORMANCE CONTEXT

SHARED FINANCIAL AND ASSURANCE SERVICES

Shared Financial and Assurance Services (SFAS)

6. The Shared Services Joint Committee for Chorley and South Ribble operates to a Service Level Agreement which sets out the key outputs required of the Partnership and the individual performance measures against which it will be judged. The Business Improvement Plan translates these outputs and measures into specific deliverables (projects) and targets which need to be achieved during 2016/17. This report relates to performance presented to the joint committee in September 2016 and covering the period to the end of July 2016 (see appendix A).
7. The plan includes 21 projects and 28 performance measures across both assurance and financial services. At the end of July performance was mainly rated Green, with the exception of the following:

Indicators	Target	Actual	Rating	Reason
Assurance services				
% Planned Time Used -CBC	30%	25%	Red	Several audit reviews have been profiled to commence after the first quarter to enable the new management arrangements to embed following the recent restructure.
Projects	Rating	Reason		
<ul style="list-style-type: none"> • Payment Card Industry – Data Security Standard PCI-DDS (version 1) Compliance (Chorley) 	Red	This project has been delayed due to unplanned staff absence. The project is currently being progressed and the system upgrade required to finalise it is due to be implemented in September.		
<ul style="list-style-type: none"> • Closure of Accounts – Review to reduce timetable and facilitate tested and successful completion by 20th MAY 2018 	Amber	The planned deadline for 30 th May 2016 was not adhered to unfortunately; a number of changes will be made to the timetable to redress the issues encountered this year and an action plan prepared.		

8. The Business Improvement Plan also covers the shared procurement service which continues to perform strongly, recently supporting a range of high value and high profile projects including the Digital Health Park, purchase of Refuse Collection Vehicles and Extra Care Scheme development. It hasn't been possible to report on one indicator relating to satisfaction with the corporate procurement function, although this has been at recorded at 100% for the last 2 years.

Wider shared services

9. A number of other smaller shared service arrangements exist including the joint Community Safety Partnership for Chorley and South Ribble, although not to the scale and integration of the financial and assurance services function.

10. The challenges facing local government are widely acknowledged and documented. In response to these challenges, the council has agreed to pursue an ambition to achieve integrated public services for the borough which will need to include further sharing of back office functions under different structures. The Council's Transformation Strategy also includes an action to proactively investigate shared service opportunities.

QUESTIONS

To support those involved at the meeting to prepare, and to aid discussion, some initial questions to be addressed are set out below:

SFAS Performance

1. With reference to the performance areas rated red and shown in the table above, please provide an update on current performance including any negative implications of the red rating and remedial action being taken.
2. The shared procurement function appears to be performing very well given the green ratings.
 - Are the existing measures considered sufficient to give a robust picture of performance given the nature of the work being undertaken?

Approach to business planning

3. The SFAS Business Improvement Plan sets the priorities and programme of work across Chorley and South Ribble.
 - How does the shared services business planning process integrate with the Chorley Council process and Single Organisational Plan, to ensure support for Chorley priorities?
 - How do shared financial and assurance services contribute to the Transformation Strategy and future services design principles?

Future shared services

4. In previous years, the council's approach to shared services has been more opportunistic but given the challenges ahead how will the council identify and develop models with future sharing partners? Which services and functions are likely to be prioritised when developing future shared services?

IMPLICATIONS OF REPORT

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

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

CHRIS SINNOTT
DIRECTOR (POLICY AND GOVERNANCE)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Vicky Willett	5248	23 rd November 2016	Shared service performance focus