

Draft Specification

Development of Shared Services

Specification for consultancy support for shared services transformation

Introduction

1. South Ribble Borough Council and Chorley Council have a long track record in shared services, primarily around financial and assurance functions but extending across a number of different service areas.
2. The two councils have been in discussions about extending the arrangements for some time, and have recently agreed to progress with sharing some senior posts and starting to share Legal and HR services. In addition, the councils have agreed in principle to significant further sharing.
3. The councils wish to jointly commission work to help to plan for making these commitments a success and to enable us to agree a strategic framework of services to share that can be considered in the context of two organisations own change programmes.

The challenge

The councils are seeking support in two phases:

1. To develop models for how the first phase of shared functions (the existing shared services of finance and assurance in addition to HR and Legal) could work. This would include:
 - Understand the scale of opportunity available from sharing those functions and how the benefits of that opportunity are shared
 - Developing a proposed operating model that would work for both councils, including proposed structures and staffing models
 - Identify the key differences in perspective that must be reconciled before proceeding
2. An assessment and target operating model for future expansion of shared services, including the ICT infrastructure and systems as an enabler and consideration of all services. This would include:
 - a. An initial **opportunity assessment**, which seeks to establish quickly the scale of the opportunity from coming together and a shared vision for how the two organisations will operate together. To identify areas where there is a lack of compatibility or approach. This would include:
 - shared view of the appropriate operating model for bringing the two organisations together. The deliverable will also show how resources would be distributed across the combined operation
 - A high-level view of the benefits that would be delivered from a shared service arrangement and how that might be attributed to the two councils

- A high-level view of the scale of technology change likely to be required to achieve the benefits
 - A high-level view of the strategic/political alignment/mis-alignment that might need to be reconciled before proceeding further.
 - A high level assessment of the As- is position in terms of scope, cost of service, capacity and performance
 - Appropriate risk share and risk alignment including the principles for determining costs, investment, charges and distribution of financial benefits between the two councils. (this may be what is intended in the second bullet point but is a little unclear)
 - A set of working principles regarding appropriate performance management mechanisms, standards and metrics
 - An approach to future assessment for rollout of other services to enable scalability using business case methodology. This should include service baselining prior to expansion.
 - Ability to flex service provision “change control” responding to a changing environment that respects a declining resource base
3. Once the opportunity assessment is completed, we anticipate undertaking work to develop more detailed proposals:
- a. A **target operating model** which describes the councils in terms of:
 - The organisational structures, roles and capabilities and the way work is distributed. This will also show the allocation of resources to different parts of the organisations
 - The customer journey and process model; defining framework processes and scoping the list of detailed processes that would need to be re-designed in implementation
 - The technology model; defining the key building blocks, the key functionality and integration and providing an assessment of whether the current infrastructure needs to be upgraded
 - Culture and ways of working; describing key attributes of the new organisation
 - b. An **implementation plan** outlining the development path for the transformed organisation.
 - c. A **business case** pulling all of the deliverables together and outlining the costs and benefits of creating the transformed organisation
4. At this stage organisational culture and development are excluded, but we recognise that once an agreement is reached on the next stages, these will be important issues to consider.

Proposals

1. The councils are seeking proposals and costs for work that address the challenge set out above.

- **Approach:** the councils would want an inclusive approach that actively engages councillors and officers from both organisations in setting the vision and approach for service delivery. We are seeking proposals that set out how this can be achieved.
 - **Timescales:** the councils would like the work for the first phase shared services and the opportunity assessment to be undertaken by December 2018, with the further work undertaken by March 2019.
 - **Experience:** the councils wish to appoint a consultant with experience in supporting the development of shared services
2. Proposals should outline a plan to address the challenges outlined, as well as including a breakdown of costs for each element, and information about the experience of the company and the key individuals who would deliver the work.