

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD
15TH FEBRUARY 2010

SHARED SERVICES

Responsible Portfolio Holder	Roger Hollingworth, Leader of the Council
Responsible Head of Service	Kevin Dicks, Chief Executive
Non-Key Decision	

1. SUMMARY

1.1 To update the Board on the Shared Services project.

2. RECOMMENDATION

2.1 It is recommended that the Board:

- i. Considers the project highlight report attached and makes any recommendations to Cabinet it thinks appropriate.

3. BACKGROUND

3.1 The UK's financial position has changed dramatically in the last twelve months. Every public sector organisation is going to need to make significant savings over the next Parliament, in order to cope with the expected reductions in Central Government Grant whilst at the same time retain and improve services.

3.2 The District Council is comparatively well placed to respond to this agenda, through its shared services project with Redditch Borough Council and the Worcestershire Enhanced Two Tier (WETT) project.

Shared Services

3.3 Shared Services will see Bromsgrove District Council and Redditch Borough Council share services, both front office and back office, whilst remaining separate organisations. The project has proceeded as planned with a single Chief Executive and a number of "quick wins" like Elections and Community Safety. A single management team for both Councils has now been appointed. A project highlight report, supported by a risk register and issues log, is produced each month for the Shared Services Board, made of Members from both Councils. The latest highlight report is attached at **Appendix 1**.

WETT Programme

- 3.4 The three business cases recommending the sharing of Property, Audit and Regulatory Services across Worcestershire are currently out to formal consultation with affected staff and trades unions. The consultation deadline is the 21 December 2009.
- 3.5 Following the consultation process, the final WETT report went to January Cabinet and Full Council. The other 6 Council's will each make their decisions between 24th November 2009 and 23rd February 2010.
- 3.6 If approved by the participating Councils, Regulatory Services should be operational by 01 June 2010 and hosted by Bromsgrove and Redditch Councils. Property Services by 01 April 2010, hosted by Worcestershire County Council and Internal Audit by 01 April 2010, hosted by Worcester City Council.

4. FINANCIAL IMPLICATIONS

- 4.1 The single management team will deliver a saving of £246,000 in 2010/2011. In addition savings from the joint arrangements with Redditch for CCTV, Lifeline and ICT will generate £120k from 2010/11.
- 4.2 The anticipated savings from the WETT programme are £150,000 in 2011/12.
- 4.3 It is anticipated that once the single management team is in place further reviews of joint working arrangements will be undertaken to generate additional savings and capacity to support the Council over the financial plan period.

5. LEGAL IMPLICATIONS

- 5.1 Every shared service will have legal implications, particularly, if we are not the host authority. Each shared service whether with Redditch or with one of the other councils in Worcestershire will be supported by a detailed service level agreement (a form of contract).

6. COUNCIL OBJECTIVES

- 6.1 Shared Services and WETT contribute to the Council Objective: Improvement and the priority: Value for Money.

7. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

- 7.1 The main risks associated with the details included in this report are:
 - Non delivery of savings.

- Non delivery of service improvements.

7.2 These risks are being managed as follows:

Risk Register: Shared Services.
 Key Objective Ref No: Separate Risk Register
 Key Objective: Separate Risk Register

8. CUSTOMER IMPLICATIONS

8.1 It is important to remember that while there is bound to be an emphasis on making savings our expectation is that each shared service will also seek to improve services to the customer. This will be achieved using techniques like lean systems, customer first training, customer services accreditation and the use of technology.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 None.

10. VALUE FOR MONEY IMPLICATIONS

10.1 The whole report is concerned with value for money.

11. CLIMATE CHANGE AND CARBON IMPLICATIONS

11.1 The report is not directly concerned with climate change, but each new shared service will be expected to consider how to contribute to reducing CO2 emissions. The expectation is that each merged service will have one service business plan that includes a section on climate change.

12. OTHER IMPLICATIONS

Please include the following table and spell out any particular implications in the relevant box. If there are no implications under a particular heading, please state 'None':-

Procurement Issues: See point about SLAs for each service.
Personnel: The single management team and shared services in general will have significant HR issues and we will need to ensure sufficient capacity for respond to this.
Governance/Performance Management: See previous point about SLAs.
Community Safety including Section 17 of Crime and Disorder Act 1998: The Community Safety service is one of the shared services.
Policy: None.

Biodiversity: None.

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No.
Chief Executive	No.
Executive Director - Partnerships and Projects	No.
Executive Director - Services	No.
Assistant Chief Executive	No.
Head of Service	No.
Head of Financial Services	No.
Head of Legal, Equalities & Democratic Services	No.
Head of Organisational Development & HR	No.
Corporate Procurement Team	No.

14. WARDS AFFECTED

All.

15. APPENDICES

Appendix 1 – Shared Services Highlight report

16. BACKGROUND PAPERS

Not applicable.

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