

BROMSGROVE DISTRICT COUNCIL AND REDDITCH BOROUGH COUNCIL

SHARED SERVICES BOARD

24th June 2010

PROGRESS REPORT

1. SUMMARY

- 1.1 This report seeks to provide an update with regard to all elements of the Shared Services work involving Bromsgrove and Redditch Councils (including the Worcestershire Enhanced Two Tier (WETT) Programme).

2. RECOMMENDATION

- 2.1 It is recommended that Members note the progress to date.

3. PROGRESS UPDATE – EXISTING / APPROVED SHARED SERVICES BETWEEN BROMSGROVE AND REDDITCH COUNCILS

- 3.1 Progress on the existing Shared Services between Bromsgrove and Redditch is as follows:

3.1.1 Single Management Team

- a. Recruitment to the vacant posts has now been completed – Ruth Bamford has already taken up the post of Head of Planning and Regeneration and Amanda De Warr will take up the post of Head of Customer Services on 5th July.
- b. Top team development sessions have been held in order for the team to get to know one another better and to start to bond as a team. These went very well and the continued signs are that the team are gelling quickly and will become a very strong team.

3.1.2 Elections

- a. The electoral team is now fully established and all vacant posts have been filled.
- b. The team has now had the opportunity to test the process during a live election and it has proved to be very successful. During the recent Parliamentary and Borough Council combined elections a member of the election team worked out of Redditch Borough Council with the support of the administrative and IT services from Bromsgrove District Council.
- c. The process has of course identified areas where performance can be improved. This is expected to continue as an exercise of continuous improvement with the Returning Officers from both Councils meeting regularly with the Head of Service and the Elections manager to manage the lessons learned.

- d. The campaign to promote the elections across the entire county proved to be a success and both Councils boasted high voter turn out and a huge increase in the numbers of people registering to vote.
- e. The administration and call management was all provided through the shared services team situated at Bromsgrove District Council and the officers situated at Redditch were very complimentary of the improvement that this made to the overall delivery of the election.
- f. During the elections period there were a number of issues with regard to the Strand electoral services software system that administers the election for both authorities. This system is currently under review to see whether the system can be improved.
- g. The officers within the IT departments at both Councils provided first rate IT support to both authorities throughout the delivery of the election and this is to be congratulated under the new shared services arrangements.
- h. Both authorities will now look to learn from the delivery of a live election under the new arrangements and to the continuous improvements that can be made in the delivery of this service along with any potential procurement savings that might be achievable.
- i. A recent Overview and Scrutiny Task Group at Bromsgrove has been looking into improvements that can be made to democratic participation. Any recommendations that are made as a result of this exercise will be shared with both Councils.

3.1.3 Community Safety

- a. The Community Safety Shared Service commenced on 15th June 2009, with local delivery teams based within both the Redditch and Bromsgrove locations.
- b. The Head of Community Services and the Redditch and Bromsgrove Manager regularly attends each of the Community Safety Partnerships and represents both authorities at a corporate level, county-wide and at regional community safety events.
- c. The Executive Director chairs the Worcestershire Safer Communities Board.
- d. There have been a number of positive developments as a result of the shared service:
 - i. The Redditch Anti Harassment Partnership and the Bromsgrove Hate Incident Partnership now form a joint partnership with a single Chairperson agreed.
 - ii. Joint training has been undertaken to address the work of the "Hate Incident Partnership".
 - iii. An Anti-Social Behaviour Strategy has been developed jointly between Redditch and Bromsgrove including new statutory responsibility for minimum service standards.
 - iv. Redditch and Bromsgrove successfully received a joint bid for a Home Office grant of £15,000 to carry out a "problem profile" of Inter-personal violence across both districts.
 - v. Officers are currently supporting both Council's, Overview and Scrutiny committees with their duty to scrutinise the Community Safety Partnerships.
 - vi. Ongoing support is being given to the 'Community Call for Action' in relation to Swans Length, Alvechurch MUGA (Multi Use Games Area).
 - vii. Redditch Community Safety Partnership and Bromsgrove Community Safety Partnership have collaborated and pooled their Area Based Grant to commission a joint communication and marketing strategy and action plan.
 - viii. Redditch and Bromsgrove Community Safety Partnerships have developed their minimum ASB standards and these are now published on both Council websites.
 - ix. Redditch has supported Bromsgrove in the removal of recent hate graffiti. It is planned that a joint Graffiti Strategy be developed by March 2011.

3.1.4 ICT

- a. The ICT shared service project has now entered the delivery phase against the items outlined in the approved business case. RBC staff have been successfully TUPE'd across to BDC. Consultation relating to the new ICT Team structure has been completed with the new team structure scheduled to start on 1st August 2010.
- b. Recruitment to the ICT Transformation Manager's post has taken place but was unsuccessful so this post will now go to external recruitment and the ICT unsuccessful candidates have chosen to take redundancy as there were no redeployment opportunities. The majority of other ICT staff will be slotted in but there are a few vacant posts which will need to be recruited to.
- c. Sub projects to align some of the ICT support and systems are now underway. The key sub projects that have gone live include the first phase of the new Service Desk system and the email & web filtering devices. The Service Desk is now configured to enable improved management of calls logged at BDC and is being configured for Redditch to migrate across before the existing system expires in September 2010. The configuration feasibility work for the virtualisation of servers has been completed and orders placed for the hardware to start the implementation of this sub project.
- d. A single domain name (bromsgroveandredditch.gov.uk) has been secured to facilitate a single email service across both locations. Work is ongoing to develop a single standardised active directory structure. The active directory structure is used to set permissions and access controls for users.
- e. Technical resources from both IT teams are involved in the delivery of the projects outlined in the business case. The teams are working closely to deliver the necessary technical changes required to develop a single ICT service whilst still supporting the day to day operations at each location.
- f. In addition to the items outlined in the ICT shared service business case other work between the two councils is progressing as follows:
 - i. Disaster Recovery – Configuration and testing of data migration and recovery is ongoing and will continue alongside the other infrastructure changes outlined above.
 - ii. Web development – The shared Intranet (The Orb) went live at both Councils in May 2010 as planned. Phase two of this project which focuses on content and data structures is now being scoped. The content and data structures will be aligned around information management standards for indexing, version control and meta data creation. (Meta data – data about data eg: author, subject, creation date etc).

3.1.5 CCTV / Lifeline

- a. Bromsgrove staff TUPE transferred into Redditch Borough Councils employment on 4th January 2010.
- b. Full consultation was undertaken with the staff and the Trades Unions. The consultation period was extended to allow all team members to respond to the proposed structure and revised shift and rota patterns.
- c. There was competition for the Lifeline and CCTV Manager post (two existing Managers). However one Manager was redeployed to an existing vacant post so there was no redundancy required. Both team leaders have been appointed.

- d. Eight of the control/supervisor staff submitted requests for Voluntary Compulsory redundancy. All eight requests were agreed by the VCR panel whose composition was an Executive Director, HR Manager and Trade Union representative.
- e. The anticipated cost of redundancy built into the Business Case was £80,000. the actual cost of the agreement to all eight VCR requests (including pension costs) was £110K. Should the requests have not been agreed there would have been the necessity to undertake recruitment to all the operator posts within the structure with the requirement to make compulsory redundancies.
- f. The impact of the additional VCR costs is that the prospected savings of £262K for 2010/11 will be reduced by £30K. Savings for the full financial year are therefore anticipated to be £232K between both Authorities.
- g. Garden leave requests from all the staff for whom VCR has been agreed have been received. Managers are currently ensuring full cover can be maintained prior to final agreement of individual dates.
- h. All remaining operator staff have been offered positions within the new structure, and all have accepted. Five Members of staff have had a reduction of 3 hours per week however will be salary protected within the provision of Redditch Borough Councils salary protection policy.
- i. There are 19 hours (3 shift covers) ultimately vacant. This post(s) will be recruited to as soon as possible.
- j. Bromsgrove's Control Centre closed on the 9th June 2010 ahead of the anticipated timescale, and all Lifeline and CCTV services were rerouted to the Redditch Control Centre. From this date all Bromsgrove staff have been relocated to Redditch other than two Telecare staff who currently operate from Bromsgrove.
- k. Lifeline services have been continually operational and the control centre has full control of CCTV cameras for Bromsgrove, Redditch and Wyre Forest.
- l. New software has been installed with two days comprehensive training undertaken. A full recording facility is operational in addition to download facility from the cameras.
- m. It is a significant achievement for all involved in the shared service project to have achieved delivery of both a major capital project alongside a staffing restructure and revised rota and shift arrangements.
- n. There were no technical issues experienced with the Lifeline Service and although some minor technical issues with CCTV, these have been overcome.
- o. The Manager and Team Leaders are currently reviewing and combining all policies and procedures alongside an ongoing training programme.
- p. The Manager and Team Leaders are now operating a full cover 'on call rota'.

3.1.6 Payroll

- a. Redditch continues to operate a joint payroll service for both Redditch and Bromsgrove and this has now been running as a shared service for the last 18 months.
- b. It is recognised that Payroll is a business critical service and resilience is essential. As part of the revised Management arrangements payroll now falls within the remit of the Executive Director (Finance and Corporate Resources) and has been transferred from HR to Finance. The section is now managed by the Accountancy Services Manager at Redditch to ensure that integrated financial controls and checks within the service area support and enhance the arrangements for payroll.

- c. During May the payroll service completed the set up of all new staff relating to the WETT Regulatory Services transfer. An additional 160 staff are now part of the establishment for Bromsgrove District Council and payroll have undertaken a significant analysis of all data for individual employees to ensure accurate and timely payments are made from June 2010. An additional payroll officer is currently being recruited as approved in the hosting costs associated with the new service provision.
- d. Initial discussions are to be held with Wyre Forest District Council to explore the possibility of Redditch taking on the provision of a payroll service for them.

3.1.7 Procurement

- a. The procurement agenda continues to be progressed across both Authorities with some additional dedicated support. The network and shared service opportunities within the County continue to be explored and a final business case has been produced by the procurement officers which is due to be considered by the WETT Project Management Group in June to decide on the timeline for implementation. The joint Bromsgrove and Redditch officer has been the lead in the development of this project. The business case appears as a separate item on this evenings agenda.
- b. Developments within our respective Council's include the following:
 - Full review, staff consultation and purchase of a new Vending Machine contracted service (BDC)
 - Support to an improved and standard contract for hygiene services (BDC)
 - Support to the tendering of sporting facilities at Barnsley Hall (BDC)
 - Corporate Contracts established for stationery and print services (BDC and RBC)
 - Office furniture contract agreed with Solihull MBC (RBC and BDC)
 - Plumbing supplies, utilities, fencing and landscape materials (RBC)
 - Suite of new printers installed to improve performance and reduce cost (RBC)
 - Advice on the Regulatory Services procurement implications (RBC and BDC)
- c. Consultancy advice and support is provided to services from the corporate unit including major projects ongoing in both authorities. This alongside major contract re-negotiations is achieving significant savings supporting both reinvestment in services and cashable savings.
- d. Successful collaboration procurement actions with Members of the Worcestershire and Warwickshire Procurement Group and the RIEP include:
 - Insurance – significant savings for all councils across Worcestershire – Redditch £70K per annum and Bromsgrove £78K per annum.
 - Data analysis – detailed data analysis and management information for all Worcestershire districts on what we purchase, from whom and total values.
- e. Successful supplier seminars have been delivered for both Councils on:
 - “How to do Business with the Council”
 - “Understanding the Documents”
- f. The intranet has been re organised in order to provide guidance for officers on aspects of all procurement. Advice available includes: Supplier Listings, External compliant contracts, Contractual Risk , Framework Agreements, Simple procurement guide, National Procurement Strategy, Social Issues in Procurement, Framework Agreement Letter of Appointment, Model Framework Conditions and Standard terms and conditions.
- g. The harmonisation of policies and procedures is complete and is being considered by both legal services teams to ensure compliance with current practices. It is assumed that these new policies will be reported to Councils in the Summer.

- h. A joint programme of procurement will be commenced to ensure maximum opportunities at both councils in the future. Ongoing developments and programme of work will include:
- Extension of corporate contracts.
 - Continuation of consultancy advice and support.
 - The Collaborative programme largely driven by opportunities derived from the Spikes Cavell results.
 - Staff and Member training.
 - Supplier seminars.
 - Extended work on policies and procedures including supplier risk and EU remedies Directives implications.

3.1.8 Climate Change

- a. The Climate Change shared service is progressing fairly well. There are some issues in terms of the Councils being at different stages of development in terms of Climate Change performance which means that joint-working is not as efficient as it could/will be in the future. However having said this, for a service which is not yet a year old, the service is progressing positively.
- b. There are five national indicators that relate to climate change. NI185 – emissions from the two councils operations, NI186 – emissions from the community (domestic housing, transport and business), NI187 – fuel poverty, NI188 – adapting to climate change (the Council being in a position to respond to more extreme weather conditions) and NI189 – flood plans. Looking at these in turn:
- NI185 – The two councils are in contrasting positions. Bromsgrove is better at data quality i.e. using accurate data, from which we can manage our emissions, but Bromsgrove has no action plan in place to reduce emissions. Redditch has problems with its data quality (we are going to have to re-calculate the 2008/2009 baseline for a second time and report the change to Central Government), but is much more advanced in terms of programmes to reduce emissions e.g. grant programmes for improvements to assets, testing out electric vehicles etc. The initial focus of the Director of Policy, Performance and Partnerships is twofold:
 - ensuring the data quality is accurate in both councils; and
 - developing a joint climate change strategy.
 - NI186 – Community, Business Transport Carbon Emissions is going relatively well at both Councils although more could be done. The Climate Change Manager, with the support of the Policy Unit, is in the process of coordinating progress across different departments which influence this indicator via a new Trace tool developed by the Energy Savings Trust.
 - NI187 – we are achieving our targets on this indicator.
 - NI188 – The Climate Change Manager has requested to join the corporate risk steering group at Bromsgrove as a way to provide oversight on whether this risk is being managed. This needs to be mirrored at Redditch.
 - NI189 – This involves the development of flood plans for each parish. This is less of an issue that in the south of the County, but does need to be delivered. The Director of Policy, Performance and Partnerships needs to discuss this target further with the two Executive Directors.

- c. Other items of interest are:
- The Energy Savings Trust One-to-One programme is going to be a project led by the new CMT.
 - RBC has signed up to the national campaign 10:10, aiming to achieve a 10% reduction in its own CO2 emissions in 2010/11. BDC have referred this item to Overview and Scrutiny.
 - BDC have an established process in place to deliver on LSP Better Environment Targets and both indicators for 2010-13 relate to improving performance on Climate Change.
 - Finally at RBC there is a Climate Change Advisory Panel – it has been suggested by members on that Panel that this be extended to cover both Bromsgrove and Redditch – members views on this are sought. The Director of Policy, Performance and Partnerships and the Climate Change Manager have considered this further and feel that at this stage we should continue with separate arrangements and focus on development of the Joint Climate Change Strategy. The Strategy has now been put on the Forward Plan at both councils.

4. PROGRESS UPDATE – OTHER SHARED SERVICES BETWEEN BROMSGROVE AND REDDITCH COUNCILS

4.1 Economic Development

- a. On 20th April, the Shared Services Board (SSB) agreed the four principal recommendations set out in the report produced by Inspira Consulting Ltd regarding the way forward for the development of an Economic Regeneration and Development Strategy for North Worcestershire. These recommendations were:
- shared Economic Regeneration & Development Strategy.
 - teams of all three District Councils be merged to form a single service for North Worcestershire.
 - in time, a fully integrated Housing, Transport, Regeneration and Economic Development Strategy for North Worcestershire.
 - a full, collective role in County structures that shape economic strategy; Members equipped and willing to represent the interests of North Worcestershire, not just their own District.
- b. The SSB also recommended to the respective Executive Committee and Cabinet, the delivery of a North Worcestershire Economic & Regeneration service by a single team hosted by Wyre Forest District Council and that an Implementation Plan be agreed between the three Councils with effect from 1st October 2010 or such other date as may be agreed by the three Councils.
- c. The recommendations have subsequently been agreed by Executive/Cabinet of the three Councils and are due to be considered by Full Council.
- d. In the meantime, discussions have continued regarding various aspects of the Implementation Plan, which includes such matters as the financial business case, risk analysis, governance, performance management and communications. Chief Executives and Directors are scheduled to meet on 8th July 2010 to review progress.

4.2 Independent Remuneration Panel

- a. At present BDC and RBC each have a separate Independent Remuneration Panel (IRP) which consider and make recommendations on Members' Allowances. Wyre Forest District Council also has its own separate arrangements, whilst a joint IRP covers Malvern Hills District Council, Wychavon District Council and Wychavon City Council.
- b. As part of WETT discussions in relation to Legal and Democratic Services, officers have given consideration to the way forward with regard to IRPs and have expressed support for extending the current joint IRP to include the three District Councils in northern Worcestershire. An officer from Wychavon District Council has been tasked to write a report for submission to District Councils on the proposed way forward. This report will now go forward to each Council for consideration.

5. WORCESTERSHIRE ENHANCED TWO TIER WORK (WETT) PROGRAMME

5.1 Regulatory

- a. All seven Councils have approved the business case proposals for their respective councils.
- b. The Head of Regulatory Services has been appointed and in post from 1st June 2010.
- c. Staff were TUPE transferred to BDC employ on 1st June 2010.
- d. The Joint Committee for Regulatory Services met for the first time on 11th June 2010 and comprises two Councillors from each Council.
- e. Regulatory Service requirements for all councils have been documented with Member Roadshows held to answer any questions members had.
- f. The legal agreements were signed in advance of the launch of the new service. This involved a lot of work and was led extremely well by Claire Felton.
- g. Achieving the first Regulatory Shared Service, the first in the Country, has been achieved through a lot of hard work and there are a number of people who it is felt deserve special mention: Jayne Pickering (from a financial standpoint and generally ensuring all issues were resolved), Claire Felton (with regard to the legal agreement) and Becky Barr (supported by Mark Stanley from a HR perspective).

5.2 Audit

- a. Staff were TUPE transferred to Worcester City Council employ on 1st June 2010.
- b. Appointment to the Internal Audit Manager post internally was unsuccessful so external recruitment is underway.

5.3 Property

- a. Staff were TUPE transferred to Worcester County Council employ on 1st June 2010.

6. FINANCIAL IMPLICATIONS

- 6.1 Following the successful recruitment to the single management team the financial position on the payment of severance costs is complete with all associated payments being made to staff who have left the organisations. The total cost of £896k has been accounted as part of the financial position 2009/10 and is less than the originally anticipated cost of £927k. This is excluded from the schedule at Appendix B.

- 6.2 The ongoing saving delivered through the single management team is £330k in 2010/11 arising to £450k in 2011/12 following the initial support for implementation that will be required in the Councils.
- 6.3 A detailed review has been undertaken by officers of both Councils to identify a more robust allocation method for the cost sharing of the shared services already implemented. Following discussions and consideration of best practice in cost sharing the revised position is as follows:
- Elections – based on electorate
 - Payroll – based on payslips produced
 - Community Safety – 50% share agreed as no other cost sharing basis relevant
 - Lifeline – no of units
 - CCTV – no of cameras
 - ICT – 50% share agreed on initial split – to be revised when infrastructure requirements realised through future developments.
- 6.4 The schedule attached at Appendix C shows the revised allocation of savings sharing for each Council and reflects the estimated position of savings for 2010/11. This position will be reported on a quarterly basis to the Board for consideration.
- 6.5 The services shared for Community Safety and Elections do not realise cash efficiencies but have provided increased resilience and improvement across both Councils.
- 6.6 Total savings of £85k were realised as a result of the shared working across the 2 Councils in 2008/09 mainly from sharing a Chief Executive and joint procurement arrangements..
- 6.7 The savings for 2009/10 were £432k. These figures will form part of the Statement of Accounts to be Audited in July 2010. These are a combination of cash savings and those resulting from the services being delivered in a more efficient way by supporting officers and members across the 2 Councils. The schedule at Appendix B details the savings made.
- 6.8 The set up costs relating to the implementation of the new systems and shared service for elections were £75k. It is worth noting that Redditch Borough Council were anticipating investing in a new system to provide resilience and improvements to the elections service. This was utilised to offset an element of the initial set up costs which have been shared on an equal basis across the Councils. These set up costs are not included in Appendix B.
- 6.9 The following table shows the summary position:

SUMMARY SHARED SERVICE FINANCIAL POSITION			
	2008/09 £'000	2009/10 £'000	2010/11 £'000
SAVINGS	85	432	1,016
SET UP COSTS	18	75	896
NET SAVINGS	67	357	120

7. LEGAL IMPLICATIONS

- 7.1 None arising directly from this report – these will be addressed as each proposal is brought forward for consideration however work is going on with regard to the progressing shared services agenda between the two councils as follows:

- Members are advised that the Shared Services Framework Agreement has now been amended in accordance with the instructions received at the Shared Services Board Meeting on 20th April 2010. Both Councils will consider this revised document at their meetings in June whereupon they will be signed and adopted.
- The governance arrangements in respect of the WETT programme have been addressed by both authorities in relation to each service.

8. COUNCIL OBJECTIVES

- 8.1 Each Council will need to ensure any proposals support its own Council Objectives.

9. RISK MANAGEMENT

- 9.1 None arising directly from this report however it is envisaged that the approach to Risk Management will operate at 2 levels:
- a. Risk mitigation/controls for respective proposals/services
 - b. Ongoing assessment of the short/long term risks contained within the original feasibility report.
- 9.2 Risk registers at both Councils include the corporate risks associated with the delivery of the transformation programme. These will continue to be monitored as part of the wider risk management considerations at the relevant Audit Board and Committees.
- 9.3 In terms of the ongoing assessment of the short/long term risks contained within the original business case an update is provided at Appendix A. Members are asked to consider the risk register in order to ensure it includes all risks and that members are comfortable with mitigation.

10. CUSTOMER IMPLICATIONS

- 10.1 No direct impact on the Customer arising from this report, although indirectly the intention of each area is to deliver efficiencies/savings or improve service quality to the ultimate benefit of the customer.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

- 11.1 None arising directly from this report – these will be addressed as each proposal is brought forward for consideration.

12. VALUE FOR MONEY IMPLICATIONS

- 12.1 Value for Money and delivery of efficiencies is the driving force behind Shared Services.

13. HUMAN RESOURCES IMPLICATIONS

- 13.1 The final recruitment to the remaining Heads of Service posts has now been completed. The successful internal applicant has taken up the Head of Planning and Regeneration post with the externally appointed Head of Customer Services starting on 5th July.
- 13.2 There will be ongoing human resource issues in the forthcoming transformation programme and any interim arrangements which need to be made prior to further service reviews will be considered.

- 13.3 Members, staff and the Trade Unions will be kept fully apprised of proposals including formal consultation where there are impacts on terms, conditions and any employment matters. This has been the case in all shared services currently implemented and the arrangements have been well received by unions and staff.
- 13.4 Staff affected by the Council's decisions to proceed with the WETT shared services have been involved in full consultation prior to the implementation of 1st June. The staff have TUPE'd across to the host authority and will continue to be consulted on any future service reviews and restructures. Trade Unions have been involved in the implementation group meetings during the period.
- 13.5 Officers recruited to the Single Management Team have been issued with Contracts of Employment advising that any impact as a result of the harmonisation of terms and conditions of employment will be subject to formal consultation prior to implementation.
- 13.6 Work is proceeding in respect of mapping and proposals for the harmonisation of terms and conditions for both Bromsgrove and Redditch.
- 13.7 The harmonisation team of HR officers across both Councils have started the initial mapping of the terms and conditions across the Councils and this will be discussed with Trade Union representatives in July. The aim is to agree a revised set of harmonised policies which will in turn result in a revised set of terms and conditions.

14. OTHER IMPLICATIONS

Procurement Issues
None in relation to this report.
Personnel Implications
Staff and trade union consultation would need to be undertaken with any proposals that have an impact on staff.
Governance/Performance Management
None
Community Safety including Section 17 of Crime and Disorder Act 1998
None
Policy
None
Environmental
None

15. WARDS AFFECTED

All

16. APPENDICES

Appendix A Risks
Appendix B Financial Statement 2010.11
Appendix C Financial Statement 2009.10

17. BACKGROUND PAPERS

Shared Services Papers

Kevin Dicks
Chief Executive
Bromsgrove District and Redditch Borough Councils

In developing the risk analysis the following matrix has been used:

Likelihood:

High 4

Significant 3

Medium 2

Low 1

Impact:

Critical 4

Major 3

Marginal 2

Low 1

Ref	Risk	L	I	Score	Mitigation
1.	Impact of changes in political leadership	3	2	6	The programme and the proposed governance model have been designed to accommodate changes in political leadership. Regular meetings with Leaders of all Political Groups (at RBC) to ensure that it is clear that the management team serves all members not just controlling group.
2.	Lack of staff capacity to implement the recommendations.	2	4	8	The proposed Transformation Team and the fact that it is embedded within the organisational structure will provide expertise and resource to plan and lead the implementation programme. In addition an increased number of management posts (as against that proposed by Serco) have increased the capacity of the management team to deliver the change required. Furthermore, the financial plan for the first year of shared services includes funding to provide additional legal, financial and Human Resources support during the period of transition. In addition to this the Shared Services / Transformation Programme has been developed to try to ensure that there is the capacity to deliver this.
3.	Loss of key senior staff following recruitment	1	3	3	The new management team have effectively taken up new roles now – this risk has therefore been reduced in terms of level.

4.	Lack of buy-in from staff	2	2	4	The staff interviewed by Serco understood the need for sharing and the recommendations within the business case have minimal impact on the majority of staff. A regular programme of staff engagement, communication and consultation is underway to ensure staff are fully involved with the process. The new management team are providing support to staff by being located at both Councils during the course of the week to provide visible leadership and support. In addition a number of staff forums have been held to introduce and network with the new management team.
5.	Lack of support from unions	2	3	6	Ongoing and regular dialogue with Unions throughout the whole process to ensure they are involved in the process. It has felt that this has gone well with regard to the Bromsgrove and Redditch Shared Services agenda but needs to be improved with regard to WETT projects.
6.	Downturn in performance during implementation.	2	4	8	The transformation programme will be spread over three years to allow a gradual approach, including up to a year to design the new structure, develop the new business plan and prepare for implementation for each service. This, together with careful monitoring of performance, will reduce this risk. Regular performance monitoring is continuing at the joint Corporate Management Team to identify any concerns early.
7.	Cultural differences between the two Councils	2	3	6	These will be addressed as part of the engagement and communication strategy for the overall programme and as part of the Transformation Programme. This will be supplemented by investment in and commitment to a meaningful organisational development programme that promotes the development of a new culture for the partnership organisation (which is not subordinate to the pre-existing cultural norms). Linking Organisational Development with the Transformation agenda will also help to address this. Top team development days have been held (including systems thinking) with further sessions planned to ensure that the cultural differences are addressed.
8.	Differences in terms and conditions	3	3	9	Work is already underway to identify and address these differences and this will be accelerated to ensure a common set of terms and conditions are in place as soon as possible. See earlier in the report.
9.	Differences in IT systems	3	2	6	While differences in IT systems in some services will reduce the initial scope for savings, this issue will be addressed as part of the implementation planning for individual services and will be removed over time as contracts come up for review. This will be supported by the move to a Shared ICT service.
10.	Potential conflict with WETT work	1	1	2	The Management Structure take full account of current and planned WETT work. The Shared Services programme will take account of any future WETT programme.

11.	Meeting member expectations in relation to access and engagement	3	3	9	The overall governance model will be reviewed to find the most effective way of enabling one service manager to engage with members and service two committees.
12.	Delivering the projected savings and non-financial benefits	2	3	6	The savings in the revised financial model will be achieved – severance costs are lower than budgeted.
13.	Confusion for customers	3	3	9	This risk can be mitigated by a programme of regular communication, which stresses the benefits of the changes, both financially to the two Councils and in terms of improved delivery of services to customers.
14.	Emergence of issues presenting a 'conflict of interest for the CEO / other management team members in relation to policy advice to both Councils during lifetime of longer term partnership (e.g. wicked issues such as future LGR)	2	4	8	The structure proposes a Lead Officer for Redditch and a Lead Officer from Bromsgrove when issues such as this arise. In addition a conflicts resolution policy has been agreed as part of the overarching agreement.