

BROMSGROVE DISTRICT COUNCIL AND REDDITCH BOROUGH COUNCIL

SHARED SERVICES BOARD

19th August 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 AND FUTURE 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 Community Safety and Elections

- a. The Community Safety and Elections Shared services are continuing to perform well and the teams are constantly looking for new ways to improve the shared service and ultimately the service to each Council and its residents. It is suggested that rather than give an update at each Board with regard to operational issues only items specific to the shared service are reported to the Board. Performance issues can be dealt with separately under the emerging performance reporting framework.

3.1.2 ICT

- a. The new team structure for the ICT shared service started on 2nd August 2010. The ICT teams are now working across both locations. This will enable staff to develop an understanding of the different systems and technical infrastructures that are in use at the two Councils.
- b. Recruitment to the ICT Transformation Manager's post has been completed. The new manager is in post and is picking up the delivery of the technical aspects of the shared service project. The Systems Analyst post has also been filled with the new member of staff having joined the team at the beginning of August. The majority of other ICT staff have been slotted into existing posts. There are a few vacant posts which are being recruited to over the coming weeks.

- c. Sub projects to align some of the ICT support and systems are continuing. The new Service Desk system has been implemented at BDC and is scheduled for implementation at RBC in September. Hardware for the virtualisation of servers has been installed ready for build and setup. The orders for the data network alignment project have been placed.
- d. A single domain name (bromsgroveandredditch.gov.uk) has been secured to facilitate a single email service across both locations. The single standardised active directory structure is being implemented to facilitate the use of the new domain name. Part of the active directory implementation required the moving of RBC email addresses to the BDC mail server. There have been some technical issues during the migration of email accounts primarily due to the poor state of the existing RBC mail server. The state of this existing server has resulted in large numbers of mailboxes being corrupted. This corruption resulted in the suspension of the automatic migration of users with a manual process having to be used to complete this piece of work. This has resulted in a delay and issues for staff trying to use their email. This piece of work is now close to completion with the majority of users now having access to their email. The existing mail server at RBC will be decommissioned and disposed of once all mailboxes are migrated.
- e. 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, particularly the virtualisation project.
 - ii. Web development – After the Orb ‘go-live’ in May this project is now focusing on content and data structures. Work is ongoing to align the data structures around information management standards for indexing, version control and meta data creation. (Meta data – data about data eg: author, subject, creation date etc). This will be rolled out on a departmental basis.

3.1.3 CCTV / Lifeline

- a. The shared service is nearing completion.
- b. All 8 staff that were accepted on VCR have come to the end of their 12 week notice period and their appointments have formally ended.
- c. Previous Redditch staff who have accepted the new 34 hour contract will receive salary protection on their shift allowance and weekend working on 6 months full protection, 6 month half protection.
- d. The vacant Monitoring Centre Operator post is under recruitment. Interviews will take place on the 17th and 18th August 2010.
- e. The Team is currently preparing for the Telecare Services Association (TSA) Accreditation inspection which is due at the end of September 2010.
- f. There are number of small outstanding issues in relation to the Monitoring Centre Capital works. A provisional handover date has been set for the 19th August. This will only take place when the Head of Service is satisfied that all works have been completed to standard.
- g. As a critical service, the resilience of the services are being monitored closely with a full re-test of the systems scheduled.

3.1.4 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. An additional payroll officer has been recruited to support the service as part of the hosting provision for Regulatory Services. An additional 160 staff are now part of the establishment for Bromsgrove District Council and payroll are ensuring that all payments are made to staff in a timely and accurate manner.
- c. Initial discussions have been held with Wyre Forest District Council to explore the possibility of Redditch taking on the provision of a payroll service for them.

3.1.5 Procurement

- a. The procurement agenda continues to be progressed across both Authorities with some additional dedicated support. The procurement officers have presented a business case to the WETT Project Management to further develop the network and shared service opportunities within the County. There were a number of issues raised by the group relating to the delivery of savings and the involvement of the County in further procurement opportunities. The Procurement officers are now looking at revising the case to ensure it addresses all issues raised and this will be represented in the next quarter.
- 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)
 - Negotiated savings within the CCTV maintenance contracts (BDC and RBC)
 - Revised contract for trade waste (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. This will support the requirement for the Councils to provide details of all payments over £500 from January 2011.
- 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.
- 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.

3.1.6 Climate Change

- a. The Climate Change shared service is progressing fairly well. There remain 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 has historically not had an action plan in place to reduce emissions and awareness of issues such as energy consumption is low. Consequently, Bromsgrove’s emissions have risen from 2008/9 by 10% in buildings (relating to new air conditioning system at Dolphin Centre); staff and Councillor mileage has increased by 18% although this is countered by reductions in emissions from the operational fleet. Overall, the Councils carbon footprint has risen by 5%. This is especially problematic in terms of our 10:10 commitment.
 - Redditch is much more advanced in terms of programmes to reduce emissions e.g. grant programmes for improvements to assets, testing out electric vehicles etc. Mainly relating to improvements to building fabric and systems (partly funded through the Salix funding stream – which has now closed), buildings emissions are down by 7.5%. Staff mileage has also increased by 5%. There remains issues with data quality for fleet emissions therefore the overall picture is still unclear, although it is anticipated that the Council’s carbon footprint will have reduced by around 3-5%.

- The identification of significant mileage issues, possibly as a result of shared services will be looked at by the Climate Change Manager immediately. Good practice from the Environment Agency and Natural England suggest that in order to manage mileage, significant change is needed e.g. reduce reimbursement rates from c.60p to 25p/mile; introduce departmental mileage annual allowances.
 - The joint climate change strategy also has further actions to reduce our internal carbon emissions.
 - NI186 – Community, Business and Transport Carbon Emissions is going relatively well at both Councils although this is a pattern replicated nationwide as the external influence of the recession results in less emissions - more could be done by the Councils locally.
 - 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. In addition, each district representative (where they exist) have agreed to specialise in risk assessing priority services, for example the Climate Change Manager will risk assess Regulatory Services and Waste, Cleansing and Landscape services against extreme weather on behalf of all districts etc.
 - NI189 – This involves the development of flood plans for each parish. This is less of an issue than 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 has expanded to cover all districts in the County and therefore is slightly on hold. The Climate Change Manager is working through the process at Bromsgrove and has completed the strategic housing section.
 - 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 also agreed to sign up, following a presentation 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.
 - The Joint Climate Change Strategy is being scrutinised at BDC in August and in RBC in November and is out for consultation with BDC LSP, district colleagues/interested parties. The Strategy has now been put on the Forward Plan at both councils.
 - Undertaking a viability study of solar PV on Council buildings – relating to the new Feed in Tariff scheme.

3.2 Future Shared Service & Transformation Programme

3.2.1 The Programme for the next three years was agreed by Members following the last Board meeting on the 24th June. After a period of consultation with staff there is one change proposed, that Human Resources and Health and Safety are brought forward to September to enable the team to have enhanced capacity during the final implementation of Job Evaluation at Redditch and to support the services going through shared service and transformation in the future. Attached at Appendix B is the updated project plan.

- 3.2.2 The structure of the Transformation Team has now been established and job descriptions and person specifications for three posts have been drafted. The posts will be job evaluated prior to being advertised in late August.
- 3.2.3 Additional support for the development of a systems thinking approach to Transformation is also being sought through Improvement & Efficiency West Midlands (IEWM). Discussions are taking place to establish if IEWM can provide a resource for one day per week to support the Transformation Team in the development of systems thinking skills. It is also anticipated that the IEWM resource would support the first transformational change (Revenues & Benefits) to ensure it progresses in line with the system thinking methodology that will be used.
- 3.2.4 IEWM will also be providing support to the joint Management Conference in October where all managers from RBC & BDC will be introduced to transformational and systems thinking. As the theme of this years Management Conference is Business Transformation, a series of talks and activities are being planned to help managers understand what systems thinking is and how they will be involved in delivering the change programme in their departments.

3.3 Environmental Services - Interim Service Structure Review

- 3.3.1 The Shared Service and Transformation Programme has been published and currently subject to staff consultation. The programme for Environmental Services is scheduled within Year 2 for the period September 2011 to May 2012 (Transformation).
- 3.3.2 It has been identified that there is a more pressing need to undertake an interim review of the current management team within Environmental Services.
- 3.3.3 The Corporate Management Team have agreed to the proposed review in acknowledgement that without the proposed changes it is unlikely that these high profile services within Environmental Services will be able to deliver on the major transformational change and shared services agenda. The review will ensure business continuity and allow the necessary time and resources to shape services for the future.
- 3.3.4 The overall rationale for the review incorporates the following:-
- a. It commences the process of co-ordinating services across the two authorities, where there are already natural links or shared policy objectives.
 - b. It improves the utilisation and co-ordination of existing resources, both staff and budgets.
 - c. It will provide capacity for the Head of Environmental Services to deliver the necessary transformation and be involved in any future WETT programme.
 - d. It reduces the number of Managers that report directly to the Head of Service from the current 12 to 6.
 - e. It improves the balancing of responsibilities across service areas and managerial remits.

3.3.5 The major changes include:-

a. Waste Management & Street Scene

- Brings together staff which are currently based at Redditch Town Hall, Crossgates Depot and Bromsgrove to utilise resources and realise improved services and efficiencies. It will also introduce standardised shared policy, publicity and performance for the waste and street scene service across the two authorities, and a business support team to support all environmental services at Redditch.
- All the current front line operational teams operating from the Bromsgrove Depot and Crossgates Depot in Redditch are retained intact.

b. Transport & Supplies (Redditch)

- The review will improve reporting lines to improve depot management, workshop and fleet management and allows for the management of a new taxi testing field Officer.

c. Landscape, Assets & Bereavement Services

- Brings together staff currently based across the two authorities to introduce standardised shared policy and performance across the two authorities. The review will bring together two functions carrying out complementary capital works but currently managed and working separately. The proposals include a shared bereavement service across Bromsgrove and Redditch and a shared tree management service.

d. Environmental Operations (Redditch)

- Incorporates revised reporting lines to the Head of Service with redirection of the existing team leader posts and direct reporting of the supervisors. This will allow focus on operational delivery and improved customer service.
- Front line operational teams retained intact.

e. Environmental Operations (Bromsgrove)

- The services will have revised reporting arrangements with 3 supervisors reporting direct to a Manager with the creation of an additional chargehand post. This will allow focus on operational delivery and improved customer service.
- Front line operational teams retained intact.

f. Environmental Business Development (Bromsgrove)

- The services will improve reporting and management arrangements, and streamline the management structure of car parks, business support and workshop/fleet management. It will also deliver improvements to the management of capital resources, minor civils and engineering operatives.

3.3.6 Staff Impacts

- a. There will be fifteen members of staff (in the main those in managerial positions) directly affected by the review. These changes include revisions to the post where a change of grade is envisaged, with increased remits or responsibilities.
- b. 132 staff will be affected by revised line management arrangements, however, not affected in current post, grade or job remit.
- c. There will be 4 posts deleted (3 of which are currently vacant) with 4 new posts created to meet the needs of the services.
- d. 4 members of staff transfer to Leisure & Cultural Services with the budget transferred.
- e. It is not envisaged that there will be any redundancies as a result of the proposals.

3.3.7 Budgetary Impacts

- a. It is anticipated that there will be the following savings realised as a result of the review:-

Bromsgrove	£15,499
Redditch	£59,202

Adjusted budget at bottom scale rates.

- b. At top of scale rates, the following savings:-

Bromsgrove	£7,258
Redditch	£41,673

3.3.8 Timescales/Staff Consultation

- a. It is proposed to launch the review proposals at the beginning of September 2010 with a formal period of staff and Trade Union consultation. The review is supported by Human Resources with an agreed resources and consultation plan. Job descriptions and person specifications have been drafted.
- b. Overall, due to the high profile nature of these service areas, it is felt that the proposed changes are required to ensure business continuity and allow the time and resources to fundamentally transform and shape these services for the future. This will deliver improvements in the quality of service to our customers and realise maximum efficiencies for both Authorities.

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

4.1 Economic Development

- a. 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 have now been agreed by all three North Worcestershire Districts. These recommendations are:
 - 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. It has also been agreed to deliver 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. A Steering Group of officers has been set up and meets every month.
- d. Work is currently progressing on the following areas:
 - Risk Assessment (Draft produced and circulated for comment)
 - Financial information being exchanged for presentation to the Steering Group
 - Draft structure being drawn up for outline costing purposes
 - Job description and person specification produced for Head of Service
 - Newsletter being produced to inform staff regarding progress
 - List of service functions to be completed
 - Draft project timeline produced (To be populated and revised)

5. WORCESTERSHIRE ENHANCED TWO TIER WORK (WETT) PROGRAMME

5.1 Regulatory Services

5.1.1 Key achievements so far:

- a. Business as usual has been maintained although there are some capacity issues beginning to emerge as the service begins to experience some staff turnover as anticipated. Plans are in place to manage these gaps.
- b. An innovative, forward thinking staff structure is currently out for consultation. The proposed structure makes best use of the opportunity to bring environmental health and trading standards together, to create a workforce that is customer focussed and flexible. It is anticipated that this structure will be in place before the end of the year but will be refined further as business transformation begins to highlight areas for further change.
- c. Staff generally positive and engaged, ongoing relations with recognised TU's good.
- d. Induction events for WRS staff were held in Bromsgrove 26th July to 5th August. Change management events on Thriving in Turbulent Times were held from 30th July to 6th August, to help support staff through the change process.

- e. ICT needs prior to establishing a single platform is being explored. Focus on creating flexible working options and reducing accommodation needs.
- f. Transformation workstream resources allocated full time, with external support being provided by Mouchel. Workshop on the principles of Systems Thinking held on 2nd August with Tammie Blount from Mouchel. Workshop delegates include the Reg Services interim management team and the transformation workstream staff.
- g. The Joint Committee met for the first time on the 11th June at which their role and terms of reference were agreed. The next meeting is on the 9th September.

5.2 Audit

- a. Staff were TUPE transferred to Worcester City Council employ on 1st June 2010.
- b. Recruitment to the Internal Audit Manager post has now been completed with an external appointment being made. It is hoped that the new manager will be in post shortly.
- c. The Service Level Agreement is currently under review by internal officers and it is anticipated that this will be formally agreed by end September 2010.

5.3 Property

- a. Staff were TUPE transferred to Worcester County Council employ on 1st June 2010.
- b. There are a number of issues under review and consideration in relation to the responsibilities of the County Council and the residual impact left with officers, particularly with Redditch service provision. The Service Level Agreement has not yet been agreed and without full resolve of the issues currently under review there is no target date for completion.

6. FINANCIAL IMPLICATIONS

- 6.1 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.
- 6.2 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.
- 6.3 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.
- 6.4 The services shared for Community Safety and Elections do not realise cash efficiencies but have provided increased resilience and improvement across both Councils.

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 completed and signed and adopted by each authority in accordance with the agreement of each Full Council in June 2010.
 - The governance arrangements in respect of the WETT programme have been finalised and the Regulatory Service Joint Committee is fully operational being administered out of Bromsgrove District Council and supported by officers from Bromsgrove District and Redditch Borough Councils.

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 There will be ongoing human resource issues in the forthcoming transformation programme and an additional fixed term post has been recently recruited within the HR team to ensure capacity is available to support staff during the future changes in structures and services.
- 13.2 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.
- 13.3 Staff involved in the Regulatory WETT services have TUPE'd across to Bromsgrove District Council as host authority and consultation is to start shortly in relation to the planned restructure of the service. Trade Unions will continue to be involved during the period of restructure.
- 13.4 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.
- 13.5 Work is proceeding in respect of mapping and proposals for the harmonisation of terms and conditions for both Bromsgrove and Redditch. A meeting with unions is to be arranged for September to enable the first review of the proposed revised policies which cover a number of key contractual terms and conditions.
- 13.6 The HR teams are working together on a number of issues across both Councils and the HR manager in Redditch has led the Regulatory support service for HR on behalf of Bromsgrove District Council.

14. GOVERNANCE/PERFORMANCE MANAGEMENT

- 14.1 One of the recommendations of the recent Audit Commission report on the Shared Services working was:

The Councils should develop a performance management process for shared services. The Councils will need to consider what information is needed for the single management team to manage performance and what information will be needed to enable councillors to manage and scrutinise performance.

- 14.2 As both Councils have their own performance reporting mechanisms in place rather than duplicate them it is felt that a half yearly report to the Shared Services Board would be appropriate. This will seek not only to measure achievement of targets but also capture successes and challenges. The Director of Policy, Performance and Partnerships has a meeting next week with the two performance specialists in each council to work up a simple template and measures of success.

15. 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 As outlined above.
Community Safety including Section 17 of Crime and Disorder Act 1998 None
Policy None
Environmental None

16. WARDS AFFECTED

All

17. APPENDICES

- Appendix A Risks
- Appendix B Shared Service & Transformation Programme Timeline (Amended following consultation August 2010)
- Appendix C Financial Statement

18. 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:		Impact:	
High	4	Critical	4
Significant	3	Major	3
Medium	2	Marginal	2
Low	1	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.