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| **REPORT TO** | **ON** | |
| **Shared Services Joint Committee** | 7th July 2020 | |
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| **TITLE** | | **REPORT OF** | |
| Shared Services Phase 1 Programme Update | | Service Lead for Transformation and Partnerships | |

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| Is this report confidential? | **No** |

**PURPOSE OF THE REPORT**

1. To provide an update on the delivery of shared services phase 1.

**RECOMMENDATIONS**

1. That the progress is noted and the amended timeline is approved and adopted.

**EXECUTIVE SUMMARY**

1. Phase 1 of the development of shared services included a number of key milestones such as the TUPE and relocation of staff, terms and conditions consultation and a programme of service reviews to achieve the required single operating model.
2. Already the shared model has delivered timely benefits through increased capacity and resilience to manage and respond to the Covid-19 crisis. In most cases good progress has been maintained against the phase 1 project plan, however some elements of the plan will need to be reprofiled due to senior managers being called on to coordinate the response effort and the need to minimise uncertainty for staff during a period of disruption.

1. The following report details the current position and proposes a revised timeline to take forward the next steps.

**BACKGROUND TO THE REPORT**

1. A project plan and governance structure had been developed to guide the implementation of shared services with good progress made prior to the onset of Covid-19. The crisis has had a significant impact on the council and its workforce with resources prioritised to support the response and many staff experiencing disruption in both at work and at home. That said, establishing the shared service is a priority for both Councils and therefore as far as possible progress has been maintained although some aspects of the programme have been delayed or timescales extended. A progress summary and revised timeline is presented below.

**PROGRESS SUMMARY**

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| **ACTION** | **DESCRIPTION** | **UPDATED POSITION (June 2020)** |
| **Shared Services Joint Agreement** | Develop the Shared Services Joint Agreement with external legal support. Final sign off by both Councils | INCOMPLETE  Shared Services Joint Agreement proposed for approval by Council in July. |
| **TUPE** | Undertake the TUPE transfer process including employee consultation and technical transfer of employer and payroll | COMPLETE  All employees now transferred. |
| **Relocation** | Finalise location plans, undertake physical changes to accommodate new teams and complete relocations to formal bases | INCOMPLETE  Physical accommodation changes now complete but staff have not relocated due to the Covid 19 guidance around working from home. It is anticipated that as restrictions are lifted, staff will return to their new operating bases.  Team building and organisational development has been facilitated through virtual and phone-based activities. |
| **Terms and Conditions** | Develop new shared terms and conditions to be applied on completion of the service review process and as staff formally move into new shared roles. | ON TRACK  Consultation process extended to give additional time for staff to respond due to Covid-19. On track to complete by July 2020. |
| **Shared policy framework** | Develop new shared policy framework including pay and grades structure. | ON TRACK  Review work is now complete and new shared policies are being consulted on sequentially. The first policy is the Change Policy which is currently out for consultation with staff. |
| **Phase 1 transformation** | Undertake a programme of engagement with shared services staff to inform the review and redesign of services to support a single shared operating model | OFF TRACK  The review process should have commenced in April with a view to developing recommendations for consideration in June. It was agreed that due to significant disruption during the Covid crisis, the process would be postponed.  A key priority is to engage with staff fully throughout the review, therefore the approach has been revised in light of the current restrictions so that this can still be achieved. An amended timeline is also put forward to maintain progress and ensure the effective operation of the shared service. |
| **Phase 2 business case** | Develop the business case for phase 2 of shared services | ON TRACK  Development of the phase 2 business case will continue with a view to having an initial draft available in September. |

**SERVICE REVIEW PROCESS**

1. Team and individual engagement will be critical to the development of shared services to understand the areas for improvement and also to respond to employee strengths and aspirations. The potential to carry out face to face sessions as planned is limited due to social distancing restrictions, therefore a number of virtual methods will be used instead as well as written feedback from staff. It’s acknowledged that there may be some drawbacks to this approach compared to face to face meetings with more frequent interaction required to make sure that all staff have the opportunity to communicate their position and any concerns.

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| **Process** | **Timescale** | **Staff engagement** |
| **Stage 1 – Evidence gathering**  Establish the ‘as is’  Review service business plans, performance, budgets and engage with teams to develop initial conclusions | June/July | Shared services personal development review to establish individual goals and support needs – 1-2-1 meeting by phone/MS Teams  Team briefing sessions to outline broad aims and principles of the review with team to feedback – phone/MS Teams  Email feedback to service lead  *Questions could be:*   * *How do we work together to achieve the vision for the service?* * *What are the current strengths/areas for development?* * *What are the opportunities/challenges?* |
| **Stage 2 – Review and challenge**  Develop the ‘to be’  Consider where things may need to change to achieve the proposed operating model and any barriers.  Also identify any opportunities to deliver further improvements or efficiencies by removing duplication or using technology | July/August | Team briefing to set out proposals and likely structures – phone/MS Teams  1-2-1 sessions to seek further feedback and discuss concerns or issues  Email feedback to service lead |
| **Stage 3 – Report and recommendations**  Develop a final report based on the high-level themes (context, performance, staffing, modernisation) and conclude with recommendations and an action plan including dates for implementation. | August/  September | Team briefing to communicate outcomes and next steps |

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| **Steps** | **Dates (To be updated)** | **By Whom** |
| Service reviews | June - July | All teams and staff, led  by the shared senior  team with organisational development support |
| Collation and review of  recommendations and action plans | August - September | Shared senior project  team |
| Implementation | October | Shared senior project  team |

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

1. Both councils have ambition for savings to be achieved through the implementation of phase 1 of the expansion of shared services. These figures are savings at Chorley Council of £115k (20/21) and £201k ongoing. These figures are £230k at South Ribble Council.

**COMMENTS OF THE MONITORING OFFICER**

1. No comments

Vicky Willett

Shared Service Lead for Transformation and Partnerships

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