



# Shared Services Future Development

Approach to Phase 3



WORKING TOGETHER

## Shared Services Future Development- Approach to Phase 3

### Principles

1. The councils have agreed refreshed principles to guide the future development of shared services including:
  - Both councils are committed to continuing to represent the needs, priorities and ambitions of their local residents and communities.
  - Both councils remain sovereign, with separate Leader and other decision-making. Shared services is not a pathway to merging the councils.
  - Both councils will set individual priorities and set their own budgets.
  - The councils are sharing services to reduce costs and to become more sustainable and resilient.
  - Full shared services shall mean developing a single delivery model for service delivery except where this does not meet the needs of each sovereign council. The model for delivering services shall continue to represent the needs, priorities and ambitions of their local residents and communities.
  - The management structures will reflect a full shared service model to enable the delivery and development of shared services.
  - The councils maintain responsibility for managing their own performance. The shared services joint committee is responsible for ensuring that shared services function effectively in meeting those expectations.
  - The councils remain committed to shared services, with the next phase prioritised on the basis of supporting greater resilience in service delivery.
2. As such, the development of phase 3 of shared services will ensure that proposals for sharing functions or posts are focused on providing greater sustainability and resilience in service delivery, can be developed to a single operating model wherever possible, and explore the potential for financial savings.

### Approach to delivery

3. The approach taken for phase 1 and 2 shared services has been to share a whole directorate or service area, starting with the implementation of shared management posts. This has been reviewed for the future development of shared services with the councils agreeing to:
  - a) Undertake a review of management capacity across the councils
  - b) Develop proposals for a further phase of shared services- the next phase will be focused on posts or functions where there is an identified need for change.
4. It was also recognised within the reports to Council that opportunities for sharing in phase 3 could be assessed in relation to:
  - A lack of capacity
  - Existing temporary arrangements

- New priorities
  - The potential for savings
  - Improved staff recruitment or retention
  - Areas of common need/ potential for sharing to support one council to deliver function whilst maintaining or improving performance for the other.
5. In order to provide analysis around opportunities for sharing posts/ functions in phase 3 of shared services, the following process will be taken:
- Posts/ functions for each council will be identified where there is an opportunity for change and sharing could be beneficial for the function.
  - Post/ functions will then be analysed in relation to a set criteria for sharing based upon the principles outlined above.

#### Criteria for sharing

6. The following criteria has been identified for shared posts or functions. All functions should meet the 'must have' criteria and should demonstrate evidence for most of the opportunities for sharing. All of the criteria aim to prioritise excellent customer service and outcomes in line with each council's corporate strategy.

Criteria	Yes/ No/ NA	Evidence
<b>Must have</b>		
Sharing the function will allow the councils to continue to deliver their sovereign priorities		<p><i>Are there any similarities in the priorities of each council?</i></p> <p><i>Do the councils share any priorities?</i></p> <p><i>Are there any areas where sharing the function might cause conflict for the sovereign councils?</i></p>
A single, shared model is possible for this function		<p><i>Would the service be able to operate effectively with shared structure, processes, and systems?</i></p> <p><i>Are there any challenges to sharing or areas that could cause conflict?</i></p>
There is a common need across both councils for this function/area.		<p><i>Do both councils currently have this function? If not, is there an ambition to develop the service/ function area?</i></p>
<b>Opportunities for sharing</b>		
Temporary, or informal, sharing arrangements already exist		<p><i>Are there any informal or temporary sharing arrangements currently in place to support capacity at either council?</i></p>
Capacity within the service can be reviewed to improve service resilience or produce financial savings		<p><i>Are there any vacant posts in the service?</i></p> <p><i>Are there any issues with current capacity?</i></p> <p><i>Is there currently a lack of resilience across the function e.g. a small team where it is difficult to cover for absences or leave?</i></p>
There is the potential for improved staff recruitment or retention		<p><i>Are there currently vacancies in the service which have been difficult to recruit to?</i></p> <p><i>Do any market challenges exist which impact on recruitment or retention?</i></p> <p><i>Is there currently limited career development/ progression in the function?</i></p>

<p>There are opportunities to align systems or processes to create a more efficient or effective service</p>		<p><i>Is aligning processes likely to simplify/ reduce workloads for staff</i></p> <p><i>Are there opportunities for sharing best practice which could improve the function for either council?</i></p> <p><i>Is sharing the function not likely to have an adverse impact on the performance of either council?</i></p> <p><i>Is the service model already partially shared or similar across the councils?</i></p> <p><i>Is there an opportunity to share or align procurement of assets, technology or systems as a result of sharing?</i></p>

#### Identified functions

7. A summary of the functions that have been identified as having opportunities for sharing are included below and the full review against the criteria for sharing is available in appendix B. This is in addition to the current proposals for sharing being progressed for Pest Control and Strategic Development Functions.
8. The following areas have been prioritised for sharing based on:
  - ease of implementation
  - current staffing circumstances such as several vacancies, temporary arrangements or hard to recruit to posts where a service review would be beneficial
  - the scale of opportunity for sharing.
9. Whilst the ambition for shared services is to expand based on opportunities for sharing across the organisations, a staged approach will be taken to the future development of shared services to ensure that there is sufficient capacity to deliver new shared functions. This will start with the Property and Assets function which has been identified for immediate consideration as part of phase 3 of shared services. This is likely to be followed by the Business Support/ Economic Growth function which has been identified as having opportunities for sharing but will not be progressed immediately to allow for both councils to refresh their Economic Strategies and reflect on key priorities as the boroughs recover from the Covid-19 pandemic.

Function	Overview of opportunity
<b>Property and Assets</b>	<ul style="list-style-type: none"> <li>• National shortages in relation to technical professions mean that sharing would provide resilience within the function with the ability to transfer skills across the councils.</li> <li>• There is an opportunity to standardise systems and processes to create efficiencies for the function, with a review being carried out into Property Management Software.</li> <li>• A shared review could be aligned to the implementation of the recommendations of the South Ribble asset review to provide additional capacity for asset management.</li> <li>• There are multiple property and assets managed by the function with a view to additional responsibilities with the opening of new extra care facilities. Additional capacity for the function through shared services could help to manage these demands.</li> <li>• The main area of the function which would benefit from sharing is the technical rather than operational management of assets. For example, there is less of an opportunity for sharing of the Facilities and Civics (based in Governance at Chorley) teams who are concerned with the management and upkeep of the main council sites due to the need to have members of staff on-site at each council and lack of flexibility for posts to work across councils. It is anticipated that the Facilities team at South Ribble will move to the shared Governance service where the capacity is in place to manage the separate functions, although this will be considered further through the service review.</li> </ul>

The following functions have been identified as having opportunities from sharing but are not looking to be progressed immediately:

<p><b>Business Support/ Economic Growth</b></p>	<ul style="list-style-type: none"> <li>• There is an opportunity to review the function in line with new priorities of the upcoming Economic Strategy for both councils, with a view to shared economic priorities identified by the Chorley and South Ribble partnership. There are similar priorities and challenges for both councils in terms of the effect of the pandemic, cost of living and demographic of businesses.</li> <li>• A shared review of the function could be aligned with a move to the Policy and Governance directorate under the Shared Director Change and Delivery, where the function could be better aligned to partnership working and community wealth building. Aligning the service would help to minimise reporting lines for shared management roles within Policy and Governance.</li> <li>• There are two current vacancies in the function which provides the opportunity to review and align skills and resource to future aims.</li> <li>• There is a need for further consideration for which elements of the current service should be included for sharing i.e. it is anticipated that responsibility for employability which focuses on supporting individuals and apprenticeships would sit within the communities teams although this will be considered further through the service review.</li> <li>•</li> </ul>
<p><b>Public Protection/ Environmental Health</b></p>	<ul style="list-style-type: none"> <li>• The functions currently operate independently but there is a potential for greater resilience for the service by sharing and developing technical expertise, with similar challenges in terms of air quality and the impact of COVID-19 on the service across the borough. The functions currently plan to work closely together in certain areas, for example a joint case study and awareness campaign to be carried out in 2022 in relation to Air Quality Particulate Matter and Monitoring.</li> <li>• Some officers have experience of working within a shared service through the Shared Covid Response team. This demonstrated a successful shared approach, with the team being the only district councils to receive a Highly Commended for excellent regulatory practice at the Office for Produce Safety and Standards Regulatory Excellence Awards.</li> <li>• There is an opportunity for shared management to support the capacity of the shared Director of Communities with temporary shared management currently in place.</li> </ul>

	<ul style="list-style-type: none"> <li>• Proposals for sharing already identified for the pest control service, with potential complexities for the service review in relation to staff who work in the outsourced service.</li> <li>• There might be some areas within the service where borough specific knowledge has been developed or where it is difficult for officers to cover the geographical area across both boroughs for visits. This might potentially limit some of the opportunity to share capacity and develop service resilience.</li> </ul>
<b>Spatial planning/ planning policy</b>	<ul style="list-style-type: none"> <li>• The spatial planning/ planning policy teams are currently not shared but work together closely as part of the Local Plan for Chorley, South Ribble and Preston. Sharing of the service could provide opportunities to minimise duplication of work and enable service efficiencies.</li> <li>• Opportunities could be limited by a small potential for conflict between the councils which would need to be managed, for example in relation to housing numbers.</li> <li>• There is also a different scope of the current services, with Chorley also including functions around climate change with the Climate Change Programme Officer. At South Ribble, some capacity is required to support the key role that the function plays in supporting the City Deal with Preston and Lancashire.</li> </ul>

The following functions are not currently being considered for sharing as they require a more place-based approach which brings more difficulties for sharing, but this will continue to be reviewed in line with changing circumstances. We will also continue to review opportunities as they emerge for sharing of small functions or posts outside of the phase 3 services, such as the approach that has been taken with Shared Pest Control and Covid Response Team. It is proposed that small scale proposals such as these would be identified and actioned where there are benefits in terms of skills, resilience, or savings.



<b>Planning Development Management</b>	<ul style="list-style-type: none"> <li>• Additional resilience could be provided for the service through sharing as there is a similar workload and number of planning applications for each authority. The sharing of enforcement, CIL and Obligations functions could also provide further opportunities for resilience.</li> <li>• There is an opportunity to review the current roles within the service to support succession planning and recruitment and retention such as through the development of junior roles or shared head of service.</li> <li>• There is an opportunity to review the current processes for technical support administrative tasks as part of the ongoing South Ribble Business Process Improvement Review (some tasks currently carried out in Customer Services for Chorley but not at South Ribble)</li> <li>• Opportunities could be limited by a preference to retain independent management under the shared Director to reflect the sovereignty of councils in relation to new developments. For example, any conflicts arising for the two Council e.g. housing numbers would need to be managed.</li> <li>• There are currently differences in the job roles at Chorley and South Ribble which could also impact on the potential for alignment. Similarly, there are some differences in the remit of the head of service for each function which would need to be considered.</li> </ul>
<b>Enforcement including Building Control and Licensing</b>	<ul style="list-style-type: none"> <li>• At South Ribble, these are proportionally smaller functions with a lack of resilience and some need for external support. A larger shared service could enable specialist expertise to be developed in house and increase cover for the service.</li> <li>• There are some vacancies and temporary arrangements within the function which could provide an opportunity for sharing.</li> <li>• Some administrative and transactional tasks for enforcement are completed within the customer services team at Chorley. Consideration would have to be made for the current differences in the work carried out by each service.</li> <li>• Consideration should be made for the differences between the current building control functions which could impact on the outcomes for the individual sovereign councils in a shared services environment, for example, at</li> </ul>

	<p>Chorley the service has not broken even financially for several years whereas at South Ribble the authority has made a surplus.</p>
<p><b>Housing/ Homelessness</b></p>	<ul style="list-style-type: none"> <li>• There are similar housing needs, social housing supplies and households on the housing waiting list across the boroughs.</li> <li>• There are some similarities between the functions policies and processes which could provide an opportunity to align, for example the Shared Select Move partnership alongside Preston Council which has a common allocations policy.</li> <li>• Both councils are due to undertake a review this year with the support of an external consultant to review the current services in relation to processes and best practice. This could provide an opportunity to review the service in relation to sharing.</li> <li>• The functions have experienced issues in relation to recruitment and staffing shortages and a larger shared team could help to provide future resilience to the service.</li> <li>• Both teams are currently experiencing have levels of demand, which may mean that undertaking a review to create a shared single operating model could provide disruptive over the short term.</li> <li>• The councils currently have different Homelessness Strategies which could limit the opportunities for sharing of resources and capacity.</li> </ul>
<p><b>Neighbourhoods/ Streetscene and Waste</b></p>	<ul style="list-style-type: none"> <li>• There is currently a shared waste manager in post but separate waste services teams. South Ribble has recently in-sourced their waste service whereas Chorley's waste service is provided through contract with FCC environment. South Ribble will therefore require more internal resources for managing waste collection than Chorley .</li> </ul>

	<ul style="list-style-type: none"> <li>• There are currently managers in place for the Streetscene and Neighbourhoods services of each council but no senior shared management post in place. Sharing could provide additional management capacity for the service and streamline reporting lines to the Shared Director Customer and Digital.</li> <li>• The waste collection teams currently operate out of South Ribble's depot .</li> <li>• The Neighbourhoods and Streetscene services have similar priorities and similar service strategies, however the current services are both in different positions, with many paper based/ non-automated processes at South Ribble which are supported by an admin team. There are also differences in the scope of vehicle maintenance between the teams, with specific support dedicated for this at South Ribble.</li> <li>• The teams cover a large geographical area on a daily basis which could limit the opportunities of sharing in terms of providing additional capacity and resilience.</li> </ul>
<p><b>Communities</b></p>	<ul style="list-style-type: none"> <li>• There are some areas of commonality in priorities, such as the ambition to develop a social prescribing offer at South Ribble and a social prescribing team currently in place.</li> <li>• Both communities teams have a strong place based approach, with officers working closely with specific neighbourhood areas which could limit the benefits of sharing.</li> <li>• There is currently a different scope to this function across the councils, with South Ribble Communities including an Active Health Team and specific Community Safety posts whereas Chorley has expanded refugee resettlement scheme and home improvement function. The services also support different models of community working with South Ribble looking to support the development of their Community Hub model.</li> </ul>

## Implementation

10. The delivery of the phase 3 development of shared services will follow the priorities outlined above in relation to ease of implementation, staffing circumstances and opportunities for sharing.
11. This will be staged in order to manage capacity around the process and ensure that engagement and implementation is properly resourced.
12. It is proposed that staff would move onto the Shared Services Terms and Conditions when they move into a shared role. This would be aligned to the planned rollout of Shared Terms and Conditions across the whole workforce.
13. In phase 1 of shared services, whole services employed by either one council or the other with some staff transferring via TUPE (Transfer of Undertaking [Protection of Employment] Regulation.) In further phases of shared services and for new shared posts, staff moving into shared roles have remained employed by their existing employer as numbers of staff have remained similar across the organisations. It is suggested that for the implementation of phase 3 functions, TUPE will be considered through the service review process where this is required to maintain balanced staffing numbers across both organisations.
14. The implementation of phase 3 should take a consistent approach in line with the Shared Change Policy and lessons learned from previous stages of shared services to:
  - Reduce waiting time between different stages of the review to minimise periods of uncertainty.
  - Ensure consistent staff engagement and consultation.
  - Enable a consistent approach to the review of functions.
  - Support staff through the transition process through an induction and development programme.
  - Minimise the impact on service delivery and performance throughout the review and change process.
15. Therefore, it is proposed that all shared functions will follow the same implementation process including:
  - Informal and formal stages of consultation and engagement as outlined in the Shared Change Policy. This will be supported by set templates, supporting materials and a framework for communication and sharing of key messages.
  - A risk assessment of the service review proposals will be undertaken from an operational and customer perspective by the Senior Management Team prior to recommendations being made.
  - Proposed service model to clearly set out how the shared service will operate and be delivered prior to moving to a shared model.
  - Reports outlining the proposals for sharing are to be developed using a set report template to ensure that all relevant information has been considered for each functional area.

- Reports are to consider service capacity during the implementation process including staging of ERVS (Early Retirement Voluntary Severance) requests and recruitment to new posts. ERVS requests are to be considered in line with service resourcing and business need.
- A framework for shared services induction and development.
- Identified capacity to support the delivery of the reviews in line with the above processes.

16. A high-level timetable of the process is outlined below to demonstrate how phase 3 would be delivered, with the review anticipated to take around 4-7 months:

<b>Desk based review</b>	<ul style="list-style-type: none"> <li>• Collect information around current service</li> <li>• Evaluate options for sharing</li> </ul>
<b>Informal consultation</b>	<ul style="list-style-type: none"> <li>• Engagement with staff and the Union</li> <li>• Testing and refinement of options for sharing</li> <li>• Informal consultation sessions</li> <li>• Written feedback</li> </ul>
<b>Review report</b>	<ul style="list-style-type: none"> <li>• Senior Management Team review proposals and finalise operational risk assessment</li> <li>• Understanding of how shared model will be delivered to be included as part of the proposals</li> <li>• Proposals are presented for review at Shared Services Joint Committee and Executive Member Decision.</li> <li>• Job descriptions are created</li> <li>• Job roles are evaluated through a Job Evaluation Panel</li> </ul>
<b>Formal consultation</b>	<ul style="list-style-type: none"> <li>• Formal consultation with staff and the Union including written feedback</li> <li>• ERVS (Early Retirement Voluntary Severance) requests are submitted and considered</li> <li>• Any changes following consultation are reflected in the review report</li> </ul>
<b>Final sign off</b>	<ul style="list-style-type: none"> <li>• The final review report, including consultation feedback, to be presented for Member sign-off</li> </ul>

17. It is proposed that Property and Assets would be delivered within the first stage of phase 3, with service reviews proposed to be carried out from July – October 2022 and implementation to follow into November/ December. This will be followed by consideration of the functions highlighted above to determine whether the councils will secure clear benefits from further sharing.

## **Induction and Development**

18. The implementation of the shared functions will include a full induction and development programme for all new shared roles including:

- Communications to be shared on the intranet of new roles and positions
- 1:1 shared services development discussion to identify individual development needs
- The shared online induction to access information about the other council and organisation
- Access to a programme of informal networking events across shared services

## **Monitoring and reporting**

19. The implementation of the phase 3 be led by the Director of Change and Delivery and Transformation and Change team with support from HR and service management. These teams will work alongside the Shared Services Project Team to implement the future development of shared services. The governance and membership of the Shared Services Project Team will be reviewed in line with the approach for phase 3 to ensure that relevant stakeholders are included in the project team.

20. The reporting on the phase 3 development of shared services will include:

- Service review reports to set out proposals for sharing and new function models. These reports will be reviewed by the Shared Services Project Team and the Senior Management Team prior to being progressed for member decision.
- The implementation of phase 3, including benefits and performance of new shared functions, will be monitored through the Shared Services Joint Committee.
- Staff across the organisations will be updated regularly on the progress of shared services to ensure that any changes across the organisation are clear. Further consideration for the communications of shared services development will be considered as part of the Internal Communications Strategy.