

Report of	Meeting	Date
Chief Executive	Shared Services Joint Committee	7 November 2023

Shared Services Monitoring Report - November 2023

Is this report confidential?	No
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Is this decision key?	No
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Purpose of the Report

1. This report provides an update on the phase 1, 2 and 3 shared services between Chorley Council and South Ribble Borough Council in relation to budgets, service development objectives, performance and risk.

Recommendations to Shared Services Joint Committee

2. To consider the shared services monitoring report and note the current progress.

Reasons for recommendations

3. The monitoring report provides regular updates on Chorley and South Ribble's shared services arrangements, allowing the Committee to regularly monitor progress and performance.

Other options considered and rejected

4. This report is for noting only and so there are no other options to consider.

Executive summary

5. This report provides an update on the phase 1, 2 and 3 shared services between Chorley Council and South Ribble Borough Council including updates in relation to:
 - a) Progression against service development objectives
 - b) Financial overview
 - c) Risk register
 - d) Service focus.

6. The format of the report has been refreshed to take into account the increasing number of services that are shared across the councils. The service focus is a new section of the report which will provide a more in-depth look at one of the phases of shared services in each of the monitoring reports to the committee. This is starting with phase 1 and will circulate through phase 1, 2 and 3.
7. Staff satisfaction will be reported on when a whole organisation pulse survey has taken place, which is currently scheduled for twice a year.

Shared Services Overview Report

Progress Summary

8. Set out below is a high-level progress summary of actions delivered against the shared services development plans over the last few months. There is a development plan in place for each of the shared services to support the delivery of a shared model and continued service improvement.

Phase 1	Transformation and Partnerships	<p>Progress has been made on the delivery of the new terms and conditions for non-shared services with Neighbourhoods and Waste at South Ribble now being fully implemented. Moving onto the new terms and conditions will help to align conditions across shared and non-shared staff and will offer benefits including an improved offer to staff, helping to support recruitment and retention.</p> <p>The refresh of the Performance and Partnerships structure has now been fully implemented. This has developed a business partnering approach for the service, providing service managers with greater focus, advice and guidance on projects, business planning and performance through an intelligence led approach.</p> <p>By the end of November, the HR Transformation Project will have concluded with the full implementation of modules for the HR system and launch of the new recruitment system. This has helped to deliver efficiencies for the organisation and enable manager self-service.</p>
	Governance	<p>The Health and Safety team has recently expanded to take on the line management of the health and safety roles at the South Ribble Moss Side depot, which will help to improve resilience across the team.</p> <p>A review of procurement resource across the council has been undertaken with initial proposals being presented to the Senior Management Team. This aims to provide a more proactive approach to the delivery of procurement and taking a thematic approach to ensure better value for money within the councils' procurements.</p>
	Communications & Visitor Economy	<p>Improvements continue to be made in internal communications with the introduction of a new all staff email across both councils and new intranet being launched for Chorley.</p>

		<p>The councils' events programmes have been successfully delivered, with work now planned to ensure that next year's events continue to grow and thrive.</p> <p>The new Head of Communications and Visitor economy has been appointed and is due to start in post in the new year.</p>
Phase 2	Customer Services	<p>Customer Services are in the process of finalising the drafts of the Council Tax Local Discount and Premiums Policy and the Business Rate Discretionary Relief Policy. These are the final policies to be aligned across the service and will be consulted on with relevant stakeholders prior to being finalised. The aligned policies will help officers to work effectively across both councils, and reviewing the policies provides an opportunity to ensure that they are clear and reflect best practice to help support local residents and businesses.</p> <p>Work has continued on preparing customer services training for all staff across the councils which is due to be rolled out over this next quarter to help deliver a customer services culture and standards across the authorities. Duty officer procedure guidance is also being developed to ensure that customers can access specialists in key customer facing services such as housing and licensing.</p> <p>The shared Capita desktop has been rolled out to Revenues and Benefits staff which means that staff can now view records for both authorities from a single application.</p> <p>Progress has also been made on phase two of the shared telephony system which will see the introduction of new contact channels such as webchat which are currently being tested by staff and will provide more options for customers to contact the council through their channel of choice. Phase two will also see the introduction of a customer satisfaction survey within the telephony system, which will allow the councils to better measure and monitor customer satisfaction and deliver improvements to the customer experience.</p>
	ICT	<p>The roll out of the new ICT laptops, tablets and phones and return of old equipment has now been completed across the councils to ensure a consistency across the organisations.</p> <p>A Cyber Security Officer has been recruited to and started in post. Significant work has taken place to continue to improve cyber security and awareness including training for staff on email security and a new Cyber Security mandatory training module being developed for staff. The councils have undertaken a Local Government Association Cyber 360 review and penetration testing on the system and network. A series of improvements and suggestions are now being implemented to help further improve the councils' cyber security.</p>

		Work is ongoing with the digitisation of paper-based information which will ensure better access and more effective management of documentation across the councils. Resources within the team have been reviewed and a new role is currently being job evaluated for a Digitisation Officer, which will then be advertised and recruited to in order to support this work.
Phase 3	Property and Assets	<p>Progress has continued on the implementation of the shared services induction plan for staff, with 1-1's and performance reviews taking place to identify any training or development needs for staff in their new roles and further team building being planned to help further develop the team following recruitment to vacant posts within the service.</p> <p>Progress has been made on aligning policies and processes across the service including for utility management processes and business continuity arrangements. This will help feed into the new Civica Property Management system, the contract for which has now been agreed and work now taking place to identify what information will need to be collated for the system. The system will help to deliver efficiencies and automation for property services, whilst ensuring a single source of information.</p>

Financial Overview

9. Overall, there has been in excess of £1.6m savings realised with over £900,000 at Chorley and over £700,000 at South Ribble.
10. Most services operate on a 50/50 basis with exceptions reflecting the specific needs of either authority. These exceptions include:
 - IT Infrastructure Team which is split 40% CBC and 60% SRBC
 - IT Digitisation Team which is split 20% CBC and 80% SRBC
 - Events Team which is split 60% CBC and 40% SRBC
 - Property services team which is split 60% CBC and 40% SRBC
 - Services that relate entirely to one Council including CBC Town Hall and Civic Services staff.
11. Unlike the rest of Shared Services, within Customer Services, ICT and Property and Assets there is no specific host Council. The posts are employed and shared across both Councils and recharged on a 50:50 basis or according to the relevant exceptions.

Risk

12. The following risk register provides a summary of the key risks for shared services, in addition to the actions and controls that are in place to mitigate the potential impact on the councils.
13. 4 risks are identified as **medium-risk** in relation to impact and likelihood, and 2 risks are identified as **low-risk**. The highest risk is 'staff uncertainty and impact on employee

wellbeing' with a matrix risk score of 9 which means that, due to the continuing organisational change across the councils, the risk would be likely to occur and would have a serious impact if no mitigating actions were taken. Many of the lower scored risks are mitigated by the established governance arrangements for shared services including the shared services agreement.

14. Risks remain relatively stable across shared services, with work progressing to support the delivery of actions including interventions to help support staff wellbeing and development across both councils and the continued recruitment to any vacant posts to support capacity within the ICT and Customer Services.
15. All risks will continue to be monitored as part of the shared services project and corporate risk registers, and any changes in risk will be captured through reporting to Shared Services Joint Committee.

Risk No. (Rnn)	Description	Controls in Place	Impact	Likelihood	Matrix Score	Actions Planned	Target Action Date	Comment
R1	Organisational disruption and impact on performance and service delivery	<p>Performance management mechanisms have been strengthened to ensure close corporate oversight throughout any shared services changes.</p> <p>Regular monitoring reports.</p> <p>Lessons learned from previous shared services to better consider the capacity required to implement a shared service.</p>	3	2	6	Additional capacity is currently being recruited to for the Customer Services and ICT teams by filling vacant posts within the service.	Ongoing – September 2023	Since the last monitoring report, further recruitment has taken place successfully including for Software Developer, Cyber Security and Customer Services roles.
R2	Staff uncertainty and impact on workforce wellbeing	<p>Staff will be fully engaged and consulted throughout the changes, both informally and formally in line with the refreshed Change Policy.</p> <p>Regular pulse surveys are in place to monitor staff wellbeing and any issues.</p> <p>The People Strategy has introduced a range of initiatives to support staff wellbeing and morale.</p>	3	3	9	<p>Lessons learned will be incorporated into the delivery of future phases of shared services to reduce staff uncertainty and impact on wellbeing, this includes taking a more measured approach to shared services so that resources can be focused on supporting functions which are going through a shared services review.</p> <p>Internal communications strategy initiatives to ensure clear communication across the organisations</p> <p>Employee recognition initiatives/ developing shared values for the organisations</p>	<p>Ongoing-</p> <p>December 2023</p> <p>February 2024</p>	<p>Incorporating lessons learned into the future delivery of shared services has made a positive impact on the implementation of existing shared services. However, the overall risk remains at a 9 due to the impact of organisational change on staff.</p> <p>It is expected that this risk will reduce further as shared services continued to become further embedded across the councils, alongside the refreshed approach to internal communications and employee engagement.</p>

R3	Wider strategic changes to local government structures	Both organisations are fully engaged and working proactively to understand the implications of local government reorganisation. Shared services helps to strengthen the strategic position of both councils and the ability to influence and shape change through greater scale.	3	2	6			No changes, both councils continue to engage in any potential changes to wider local government structures
R4	Change in political control leading to a lack of cross party support	Arrangements specified in the shared services agreement including an extended agreement and exit arrangements.	3	2	6	Updates on options for future shared services to be provided to the Shared Services Joint Committee in June.	Complete	No changes, shared building control was identified as a future shared service in summer 2023 and is currently being implemented.
R5	Loss of sovereignty	Both councils retain political independence and decision making. Robust governance and clear protocols within the shared services agreement ensure that both councils maintain individual sovereignty.	3	1	3			No changes, this remains low risk
R6	Different levels of future budgets for shared services across both councils	Shared Services provides opportunities for continued savings for both councils. The shared services agreement recognises committed budgets for each council.	3	1	3			No changes, this remains low risk

Service focus- Phase 1

16. This section of the report provides a service-level focus on the different phases of the expansion of shared services. There will be a focus on a different phase at each meeting of the Shared Services Joint Committee as follows:
- 7 November: Phase 1
 - 9 January: Phase 2
 - 6 March: Phase 3
 - 2024/25 meetings TBC
17. The Phase 1 services were implemented in 2020/21, establishing shared Governance, Communications & Visitor Economy, and Transformation & Partnership services. Set out below is a summary of the councils' objectives in sharing these services and some examples of how they have been achieved:

Financial Savings	The financial savings delivered from phase 1 totalled £337,000 across the authorities including for the initial shared senior roles of the Deputy Chief Executive, Director of Governance, and Heads of Service for Transformation and Partnerships, Communications & Visitor Economy, and Legal.
Reduced duplication and the delivery of efficient services	<p>Reduced duplication has been delivered by aligning key processes across the councils and by making processes more efficient:</p> <ul style="list-style-type: none"> • The implementation of the performance system and shared project and performance processes. • The implementation of the HR Hub and time management system with efficiencies from the new system to realise savings of 0.4 FTE. • Review of corporate admin processes to deliver system improvements and reduce staff time for common processes, this helped to deliver the corporate support service within a reduced budget following the restructure of the shared function. • Better resilience with the ability to do things once and draw on a shared workforce when reacting to challenges within the organisations.
Delivery of new services for one or both councils	<p>Several new services have been implemented and embedded for the councils. This includes:</p> <ul style="list-style-type: none"> • A dedicated events team for South Ribble which has helped to deliver a larger programme of high-quality events for the borough. • A dedicated graphic design service for South Ribble to help improve the branding and design of internal and external publications and supporting the communications and marketing of the council. • A transformation and change function to help support the delivery of the Transformation Programme,

	Organisational Development and transformation and change projects across the organisation.
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Service Delivery

18. Each of the phase 1 services has a service development plan in place to continue to drive forward service improvements across the shared service. A summary of progress against the objectives is included within the table:

Objective	Aim	Status	Update October 2023
Transformation and Partnerships			
Implement Shared Terms and Conditions across Chorley and South Ribble Councils	As around 50 percent of the workforce is now shared, the ambition is to expand the shared services terms and conditions across the workforce of Chorley and South Ribble Councils including non-shared staff.	In progress	<p>Progress has been made on the delivery of the new terms and conditions with Neighbourhoods and Waste at South Ribble now being fully implemented.</p> <p>Proposals have been developed for the Planning and Enforcement Service at Chorley and have been presented to Leader Brief prior to commencing consultation with staff.</p> <p>Initial discussions have started with the Heads of Service for South Ribble Planning and Enforcement, Chorley Spatial Planning and Chorley Communities and Housing which are the next services in the programme.</p> <p>The forward plan for services to move to the new terms and conditions includes the remaining services to be completed over 2023/ 2024.</p> <ul style="list-style-type: none"> • Planning and Enforcement (both councils) • Spatial Planning (Chorley) • Communities and Housing (both councils) • Operational Assets • Streetscene (Chorley) <p>Aligning the new terms and conditions across the organisation will ensure better terms and conditions for the councils, helping to support staff recruitment and retention. This will also help to streamline HR processes as only one set of terms and conditions needs to be administered.</p>
Review of Performance and	To review and implement a new structure for the	Complete	The refresh of the Performance and Partnerships structure has now been fully implemented. This develops a business partnering approach for the service,

Partnerships Resource	Performance and Partnerships team to enable a business partnering approach		providing service managers with greater focus, advice and guidance on projects, business planning and performance through an intelligence led approach.
Deliver HR transformation phase 2	To build on the implementation of the shared HR system by moving to the HFX payroll system and developing additional modules to enable full self-service and additional functionality.	In progress	<p>By the end of November, the HR Transformation project will have concluded, ahead of the target date for completion in December. Following implementation, a full benefits realisation paper will be presented to the councils' Senior Management Team and can be included in the next shared services monitoring update to the Joint Committee.</p> <p>The project has included the roll out of the HFX time management system and enabling additional functionality within the integrated HR Hub system. The service efficiencies achieved through the project mean that a transactional HR role will be able to be reduced from 1 FTE to 0.6 FTE, delivering a saving for the function.</p> <p>The project has also delivered greater consistency and integration within the HR system, enabling a single source of the truth and better management of HR records. Workflows have been developed in the system which align to the shared HR policy processes, and means the HR managers can self-serve for simple HR processes.</p> <p>The new recruitment system Eploy is also due to go live in November. This will develop a branded recruitment site for the councils and offer a streamlined application process for both applicants and recruiting managers to enable efficiencies in the recruitment process and help support the recruitment strategy by ensuring a good first impression of the councils.</p>

Governance			
<p>Develop support offer for the Leadership Team</p>	<p>To support senior management capacity by developing a standardised support offer for the Leadership Team.</p>	<p>In progress</p>	<p>The roll-out of support options from the Corporate Support team to the councils' leadership team has been partially developed and there are nominated support officers in place for Directors and Heads of Service as required. The support options will set out what functions the corporate support team can provide to the councils' leadership teams to allow them to decide on what functions would be most beneficial for the corporate support team to deliver.</p> <p>A recruitment exercise was completed at the start of October for the new and vacant Director and Head of Service roles. When the new postholders have started at the councils, a suite of support options will then be presented to the management team for decision.</p>

<p>Legal and Procurement restructure</p>	<p>To develop a single operating model for Legal services, delivering improved service resilience.</p> <p>Upcoming vacancies in the Procurement team mean that there are also opportunities to reconsider the procurement structure to ensure that it can best meet the priorities of the organisations.</p>	<p>In progress</p>	<p>Vacancies in the procurement team have been appointed to with interim support from Blackburn with Darwen Council and recruitment to a Procurement Assistant post. A review of procurement resource across the council has been undertaken with initial proposals being presented to the Senior Management Team. This aims to provide a more proactive approach to the delivery of procurement and taking a thematic approach to ensure better value for money within the councils' procurements.</p>
<p>Undertake a review of the Health and Safety policies and processes and align where appropriate</p>	<p>To ensure that best practice policies and processes are in place and standardised Health and Safety policies are applied where possible across the organisations.</p>	<p>In progress</p>	<p>The review into Health and Safety policies is still ongoing with a number of policies currently being reviewed. Key policies have been aligned including manual handling, display screen assessment and lone-working policies. The Health and Safety team has recently expanded to take on the line management of the health and safety roles at the South Ribble Moss Side depot, which will help to improve resilience across the team.</p>
<p>Communications and Visitor Economy</p>			

<p>Create a tourism strategy for SRBC</p>	<p>To create a tourism strategy for South Ribble to set out the approach for developing the visitor economy and tourism offer.</p>	<p>In progress</p>	<p>The South Ribble Tourism Strategy was approved by Cabinet in June. Progress has been made on delivering against some of the key priorities of the strategy including developing the South Ribble Tourism website 'Discover South Ribble' and sharing content on social media to promote businesses, attractions and events across the borough. The development of the events programme and 'Music in the Park' as a flagship event has also been progressed through the agreement at Council in September to procure an event partner for 2024-2027 to support the delivery of the event.</p>
<p>Operation of two historical buildings across the borough</p>	<p>To deliver the operation of Worden Hall and Astley Hall. This will include the first full year of delivery for Worden Hall and looking at more opportunities to generate income across the Astley Hall site</p>	<p>In progress</p>	<p>This action is new for 2023/24 and will monitor the shared museums, tourism and culture team in their delivery of the operation of historical buildings across the borough. At Astley Hall there has been maintenance carried out to the former servant's quarter including a new roof to ensure the integrity of the building for future generations. Feedback that has collected since the reopening of the Hall in 2022 is being used to further improve the visitor journey and experience, with plans being made to improve the content of information boards and to help people to find their way around the building. A piece of work is also being undertaken to reopen the gallery space to showcase the Hall's art collection. Recent approval has been given to utilise UKSPF funding to help support this project.</p> <p>At Worden, there had been some delays in the opening and full operation of the building due to contactor issues which will impact on the budget targets for 2023/24. Despite this, the first two functions at the Hall took place in October 2023 including a wedding and a baby naming ceremony.</p>
			<p>The new intranet has been launched for Chorley as the existing intranet was no longer fit for purpose. The new site will now be expanded to South Ribble.</p>

<p>Deliver the internal communications strategy including new intranet.</p>	<p>To create a shared approach to internal communications which uses best practice to improve staff engagement and understanding of organisational priorities.</p>	<p>In progress</p>	<p>This enables greater self-service for staff to share their own communications and will also make it quicker and easier for the communications team to upload items to the intranet. The new system allows for better monitoring of engagement and interaction with posts and can be accessed by staff through their work mobile devices.</p> <p>Viva Engage has also been relaunched and widened across the councils, to increase use of the platform as an internal communication tool. The Microsoft application acts as a form of workplace social media to share information and celebrate success across the organisation.</p> <p>A regular staff email has also been introduced to ensure key messages are shared, reflecting staff feedback that sometimes key information shared on the intranets is missed by staff and to provide a summary of key updates across the organisation.</p> <p>Looking forward, the communications team is looking at how we can continue to ensure messages are regularly shared across the organisation, through the roll out of the new intranet to South Ribble. Recruitment is also currently taking place for an Internal Engagement Officer role to support internal communities across the councils and support the shaping of a shared internal culture.</p>
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Key indicator performance

19. The key indicator performance that is available for Phase 1 Shared Services from Q2 2023/24 is set out within appendix A. This shows the majority of indicators are performing better than 2022/23 with 7 performing better than last year, 5 performing the same and only 1 performing worse.
20. The indicator that has decreased in performance since last year is the ‘% of shared services staff satisfied’ which has decreased from 71.7% to 67.76%, a slight drop of 3.94%. This could be reflective of small differences in response rates and which employees completed the survey each time, and also service specific variances.
21. 9 out of 14 indicators are performing on target, 2 off target but within the 5% threshold off tolerance, and 3 below target. Further detail is available in appendix A around the individual indicators and the explanation for those that are below target.

Climate change and air quality

22. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place. The ICT hardware and software in place at the councils helps to support digital working, enabling the reduction of paper and supporting hybrid working to reduce travel.

Equality and diversity

23. This report has no equality or diversity implications.

Risk

24. Risk is outlined within the report.

Comments of the Statutory Finance Officer

25. There are no financial implications of this report. Shared Services costs and savings now form a significant and growing part of both Councils MTFS. This is monitored in year and relevant costs are attributed to each Council.

Comments of the Monitoring Officer

26. There are no direct legal implications arising. The report is for information and noting.

Appendices

Appendix A- Performance Indicators

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