

SHARED SERVICES

Legal and Democratic Services Advisory Committee – 8 October 2015

Report of Chief Finance Officer

Status: For Information

Key Decision: No

This report supports the Key Aim of effective management of Council resources.

Portfolio Holder Cllr. Firth

Contact Officer(s) Adrian Rowbotham Ext. 7153

Recommendation to Legal and Democratic Services Advisory Committee: That the report be noted.

Introduction and Background

- 1 This is an annual report that has previously been presented to the Finance and Resources Advisory Committee but following the changes made in May, shared services is now within the terms of reference of this Advisory Committee.
- 2 As financial pressures grow for all local authorities, shared services are often a method to be investigated to help deliver efficiency savings. The external auditors, Grant Thornton, view that this council delivers good value for money, therefore should be an attractive partner for other local authorities looking to take this route.
- 3 Experience has shown that it is beneficial to have back office services operating as a shared service first as there are then fewer barriers to front line services being shared with the same partner. This is because back office differences, e.g. not having the same IT systems, can significantly increase implementation costs and time which can make any change less viable.
- 4 Economies of scale are also an important factor where the costs of some services can have stepped increases, such as having to purchase an additional piece of equipment when work volumes increase above a certain level. The size of some teams can also be a factor in decided whether it is practical or beneficial to share.
- 5 The following principles are required to ensure that becoming a shared service is the right option:
 - Willing partners;
 - Quality of service is not adversely affected;

- Increased resilience;
- Savings or additional income;
- Pay back period for any implementation costs.

Current Partnerships in Place

- 6 Appendix A lists all of the shared services arrangements currently in place and also those that have ended.

Changes in the last year

- 7 Since April 2014 we have entered into a new agreement with Tonbridge & Malling BC to operate a Building Control Partnership and have a contractual arrangement with Tunbridge Wells BC, Tonbridge & Malling BC and DEFRA to deliver the West Kent Leader Programme.
- 8 The arrangement for sharing the Senior Parking Engineer with Tonbridge & Malling BC has ended due to the employee moving to a new position at that authority. Also Property Services no longer provide asset maintenance to Tandridge DC due to budget savings being made by Tandridge.

Future Partnerships

- 9 During the past year discussions have taken place with other authorities about expanding the shared service arrangements for Revenues and Benefits, Licensing, Building Control and CCTV and some of these discussions are continuing.
- 10 There have also discussions taking place about sharing IT Services and joint projects for Customer Services. Other services that may be possible to share in the future are HR, Legal and Democratic Services, Refuse Collection, Street Cleaning, Housing Services, HERO and Planning Policy.

Key Implications

Financial

This report is for information only and there are, therefore, no financial implications arising from this report. The listed partnership arrangements have been entered into by the Council in order to achieve financial savings, deliver increased efficiencies and to improve resilience of service delivery.

Legal Implications and Risk Assessment Statement.

There are no legal implications.

There are no new risks associated with this report. Each partnership proposal would include a risk assessment.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Community Impact and Outcomes

The partnership working arrangements in Appendix A have delivered financial savings usually through reducing the cost of management or back office services, thus delivering a financial benefit to local residents whilst maintaining customer facing services.

Appendices

Appendix A – Register of shared working arrangements

Background Papers:

None

Adrian Rowbotham
Chief Finance Officer