

Commissioning Shared Services Projects

This template sets out the questions that need to be addressed at the first stage (Statement of Intent) and the second stage (Business case) for consideration by the East Kent Joint Arrangement Committee.

STAGE 1 – STATEMENT OF INTENT (for consideration by East Kent Forum)

A. Strategic overview of project

1. What is the purpose of the project?
2. What benefits will the project bring? (see appendix i)
3. What criteria need to be applied to assess potential benefits? (see appendix ii)
4. Who are the stakeholders in the success of the project?

B. Resources for the project

5. What are the full contact details of the project leader?
6. What other resources are involved in the project?
7. Is any funding being provided to deliver the project and if yes, from what source?
8. What % of time will the project leader be working on the project?
9. What % of time will the other team members be working on the project?

STAGE 2 – BUSINESS CASE
(for consideration by East Kent Joint Arrangements Committee)

C. Key service information

10. What are the basic facts we need to know about the service across the four authorities?

11. What is the combined total service budget (both in revenue and capital terms) for the four authorities?

12. What are the combined total service staff numbers for the four authorities and is there a staff structure chart available in all cases?

13. What are the current hardware and software ICT systems used by the services and their likely lifespan?

14. Are any elements of the service provided by contractors and what is the lifespan of the current contracts?

D. Key risks associated with providing a joint service. Project heads will need to provide general mitigation against the following risks:

15. Financial risks:

The joint service fails to reduce overall costs for the service or does not create the potential for future savings (do all partners use the same accounting treatment methodology e.g CIPFA Code of Practice compliant)

16. Operational risks:

The phasing of changes will threaten continuity of services for partner authorities and risk a deterioration in service improvement in the run up to creating a joint service.

17. Staff risks:

The disruption and change associated with merging services exposes partner authorities to losing well trained and experienced staff.

18. Reputation risks:

The move towards creating a joint service fails to achieve the key benefits envisaged and this along with the disruption involved damages the reputation of the partners.

19. Strategic risks:

Relationships with key partnership and stakeholders suffers as a result of the changes involved and some of its major strategic aims are not achieved because of the diversion of management energy and resources.

E. Implications

20. What are the staffing implications? (e.g. It is likely there would need to be a convergence of salaries and terms and conditions of employment between staff if joint services were established?)

21. What are the legal implications? (Section 113 of the Local Government Act 1972 and S.1 Local Authority Councils and Services Act 1970 provide the legal basis which enable local authorities to work for each other on a contractual basis. Any joint service partnership would need to identify any other relevant legislation.)

Appendix i

General benefits of establishing future joint services. All services will be expected to demonstrate most of the following outcomes:

1. Building capacity and adding resilience to services:

- Attracting new recruits and retaining existing staff more easily through better career opportunities and structured training.
- Developing common strategies, policies and business plans.
- Expanding officer expertise and filling existing skills gaps.

2. Creating more efficient services:

- Integrating software and information systems to create shared platforms.
- Setting common targets and PIs.
- Achieving economies of scale and lowering unit costs for key element of service.
- Rationalisation of sites.

3. Improving customer focus:

- Alignment of systems, procedures, forms, letters etc.
- Develop shared website pages.
- Common approach to customer care/service standards.

How far do the relevant services meet the potential benefits identified? What criteria do we need to assess this?

1. Building capacity and adding resilience:

- Is it difficult to replace or recruit critical staff or managers for this service in order to build resilience?
- Does more than one authority use the same ICT systems and software to deliver the relevant service in question
- Do the districts already have a track record of collaborative working in this service area?

2. Creating more efficient services:

- Are there potential efficiency savings to be made through economies of scale if services are combined?
- Is the service suitable for invest to save? What is the likely payback period if managed on a different basis?
- Do one or more districts have difficulty in retaining current levels of service because of budget pressures?

3. Improving customer focus:

- Do some of the districts use the same CRM systems. What represents the best fit with existing suppliers in terms of getting current systems to work together?
- Is this service largely provided according to standard national template or is there scope for local political choice in service delivery?
- Is one or more district performing consistently above the family or national average for the relevant service in question?