

SCRUTINY OF SHARED SERVICES AND ALTERNATIVE SERVICE ARRANGEMENTS

AGREED SCOPE FOLLOWING MEETING OF 6th DECEMBER 2010

Terms of reference

To review current work and future approach to shared services in NHDC and to understand what makes a service suitable for sharing or outsourcing with particular regard to:

- Procurement
- Audit Partnership
- Environmental Enforcement
- Planning and Building Control
- Financial services, ie annual preparation of accounts, year end etc

Members originally cited a number of other areas, which are listed here, which are already 'shared' or are formal partnership activities and thus officers recommend are excluded from the formal review of shared services;

CCTV – this is already delivered through a formally managed partnership agreement, which has extended far beyond the original intention of a joint working arrangement originally entered into in 1996, to now include a range of cameras extending from Sandy in the North, through to Hertford Town Council. A number of local authorities and partner agencies have recently approached the partnership to become members and thus gain advantage of the economies of scale, which North Herts and original partners have already seen as a benefit. The CCTV partnership is already subject to review by the Partnership Scrutiny Sub Committee using the Council's corporate partnership toolkit and thus it is recommended that rather than duplicate activity, it is excluded from this task and finish review.

The Task and Finish Group agreed to exclude CCTV partnership from this review, but to receive a report on progress and especially governance through the partnership scrutiny sub group.

Shared Management Service Contract – the 'SMS' with SERCO was signed off by County in late November, and sets out the principles for shared services in a range of county and district services – including customer services, HR, legal services, benefits etc. The overarching agreement was signed by the County Council, and it is now for each district or borough etc to investigate the feasibility of integrating various sections of their service into the countywide agreement. Each service area will need to be reviewed individually to assess the relative benefits for North Herts in regard to HR, CSC etc since we already know that our per capita cost for many services is already below that being offered in some sections of the agreement.

It was agreed that the first meeting of the review group would receive information on the SMS contract itself, the range of services currently being offered to share, and how each authority would be invited to participate to raise members' awareness, but that this would not be part of the work of the task and finish group thereafter.

Pathfinder – Pathfinder was the description of the original countywide project to seek opportunities to gain benefit of closer working across the ten district/borough and county councils. Pathfinder as a project will shortly cease to exist, being

rebranded as a county project to 'encouraging closer working between the tiers of local government'. Whilst Pathfinder has delivered a number of efficiency options, it is clear that continuing benefit will best be gained through exploring individual service options. Officers would therefore suggest that rather than expend officer and member resource looking back at Pathfinder, its original concept etc, the review focus on formal shared management services and other shared service proposals.

It was agreed that there would be little to be gained from review of Pathfinder and for the purpose of this Task and Finish group it would be excluded.

Consider other examples of shared service arrangements that this council and other councils have including councils outside Hertfordshire where best practice is identified.

To scrutinise the factors by which officers and members assess proposals to share and outsource services.

Expected Outcomes

Understand what work is being done on investigating shared services in NHDC

Understand the benefits that may accrue from shared and alternative service arrangements

Understand any limitations to alternative service arrangements – including the 'local' dimension, i.e. keeping a local handle on housing needs work could be particularly beneficial in supporting local individuals?

Identify characteristics in services suitable for sharing and alternative service delivery arrangements

Evaluation of the processes, opportunities and criteria for identifying and assessing shared services

Provide VFM and improve service to customers

?provide a routemap or project route for future discussions

Timeframe

winter 2010 to end March 2011 for main evidence gathering

Report to be made at first meeting of the Overview and Scrutiny Committee in the new Civic Year.

There are a number of bank holidays in the time period between end of March and second week of May, due to Easter and Royal Wedding etc, which will delay the report and findings reaching conclusion.

Link with Council Priorities

Continuous Improvement

Potential witnesses

(Planning and Building Control) David Scholes and Building Control Manager – Stevenage Borough Council

(Environmental Enforcement) David Scholes, and Luton Borough Council Enforcement Service

(Procurement and Financial Services) Andy Cavanagh

Key Questions

What are the potential advantages and disadvantages of sharing services with other providers?

What are the elements of successful shared services?

What are the pitfalls of and barriers to sharing services?

What are the processes and criteria for identifying and assessing shared services

What has alternative service delivery methods achieved, and what opportunities does it offer?

Which NHDC services could and should be shared or outsourced?

Under what conditions should share service arrangements be (a) investigated and (b) implemented ?

Is there effective scrutiny of shared services work in North Herts DC?

Information documents

ePathfinder 2010 – Half Time

(could we seek information too on progress at Three Rivers, especially on customer services etc as they are further forward on shared services)

Membership

Paul Clark - Chairman

Cllrs Paul Marment, Julian Cunningham, Judi Billing, Michael Paterson.

Portfolio Holder

The review would potentially cover areas across portfolios and thus the relevant area would need to include discussion with the PH for that individual service.

The Portfolio Holder for Policy includes a remit for Organisational Development, which includes investigation of changes to service delivery, structures and business process improvement.

Lead Officer

Liz Green

Support Officer

Brendan Sullivan, Scrutiny Officer

Key Tasks	Date
Overview and Scrutiny Committee agrees scope	26 October 2010
Nominations received	November 2010
Meeting 1 of the Task and Finish Group Agree scope, schedule of meetings and participants	By End December 2010
Meeting 2 SMS contract and approach First witness (Planning and Building Control, Environmental Enforcement, David Scholes tbc)	31 st January 2011 1700-1900 hours
Meeting 3 Second witness (Procurement, Financial Services, audit partnership – Andy Cavanagh – tbc)	24th February 2011 1700-1900 hours

APPENDIX 1

Meeting 4 Lessons learned and future opportunities	By End March 2011
Meeting 5 Conclusions and Draft Report for circulation (ahead of election period)	By end April 2011
Present findings/ formal Report	Overview and Scrutiny Committee June 2011