

Shared Services Review Group
Tuesday, 21 February 2012

Agenda Item: 4

SHARED SERVICES NATIONAL INFORMATION

Purpose of the Report

1. To report back to members as requested at the meeting on 20th September 2011 on national surveys undertaken on current shared services arrangements within Local Authorities across England and Wales.

Information and Advice

2. Members will recall that within the Review Groups previous meetings information has been presented on existing shared service arrangements operating within the County Council, potential areas for future shared services arrangements and on the thinking and direction of neighbouring Authorities in relation to Shared Services.
3. At the last meeting of the Review Group a request was made for information on the national picture in relation to Shared Services and an indication of any evidence that shared services were more successful or cost effective within single tier authorities.
4. The Local Government Association (LGA) has produced a national map of Shared Services available at www.local.gov.uk/better-for-less-po-map. The LGA is encouraging Authorities to access this map and contact other Authorities already undertaking shared services arrangements to share experiences when considering future shared services arrangements.
5. The map is extensive but clearly evidences that the majority of shared service arrangements operating currently relate to what is described as Shared Service - Corporate. These arrangements relate to management and back office functions including shared management teams, joint ICT services etc. The map evidences that these arrangements have in the main been entered into by District Councils.
6. It is further clear from the map that shared service arrangements are much less common in areas such as Children's social care or Adults services. Where such arrangements exist they are, in the main, joint procurement /contracting arrangements. An example of such an arrangement is the North West Foster Care Contract which gives Local Authorities the chance to buy external foster care placements from a framework contract. The savings realised by this joint procurement exercise are estimated to be £1.9m
7. The New Local Government Network (NGLN) has produced a report titled "Sharing Necessities: The Next Generation of Shared Services". This report recommends that Council's adopt a presumption in favour of sharing services and incorporate this concept within service redesigns and transformation.
8. As part of this report NGLN have undertaken a Shared Services Survey which is attached at Appendix A. It is again evident from this survey that there are a far higher number of shared service arrangements within District Councils than within Top or Single Tier Authorities.

9. Members will be interested to note that the survey indicates where County Council have undertaken shared services arrangements estimated annual savings generated are high although the response rate to the survey was low.
10. Member's attention is also drawn to the survey undertaken by Browne Jacobson Solicitors attached at Appendix B which highlights that 89% of Local Authorities are currently sharing services with 65% looking to share more services in the next 12 months. 63% of respondents plan to save up to 10% of their total budget savings by sharing services.
11. In light of the evidence presented to the Review Group in this report and in previous meetings members are invited to consider what recommendations should be made to Cabinet arising from this review, or whether further evidence or information is required

Other Options Considered

12. None

Reason/s for Recommendation/s

13. To progress the work of the Review Group.

Statutory and Policy Implications

14. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the Review Group considers what recommendations it wishes to make to Cabinet arising from its work to date.
- 2) That the Review Group considers what further evidence , if any, it requires

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Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

NLGN Report Shared Necessities The next generation of Shared Services published March 1st 2011 Services.

Electoral Division(s) and Member(s) Affected

All.