

**LOCAL GOVERNMENT SHARED SERVICE UPDATE, FINANCE AND
PERFORMANCE REPORT – REVISED OCTOBER 2010 and NOVEMBER 2010**

To: **Cabinet**

Date: **25th January 2011**

From: **LGSS Director: Finance**

Electoral division(s): **All**

Forward Plan ref: **N/A** **Key decision:** **No**

Purpose: **To review the progress and success of the Local Government Shared Services arrangement with Northamptonshire County Council.**

Recommendation: **Cabinet is asked to:**

- (a) note the contents of the attached the revised report (Appendix 1) covering the first month of Local Government Shared Service (LGSS) operation**
- (b) note the contents of the attached report (Appendix 2) covering the period to the end of the second month of Local Government Shared Service (LGSS) operation**
- (c) note that key performance measures are still being formalised and will appear in the January 2011 report.**

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1. BACKGROUND

- 1.1 The Local Government Shared Service (LGSS) initiative between Northamptonshire and Cambridgeshire County Council came into operation as planned on the 1st October 2010.
- 1.2 To ensure that this initiative progresses to plan and delivers the financial and operational benefits required by the Authority it was agreed that monthly progress reports will be submitted to Cabinet.
- 1.3 From December the monthly progress reports will mirror exactly the operational report that will be received by the LGSS Joint Committee.
- 1.4 This revision of the first full report covering the month of October is attached (Appendix 1) for information and consideration.
- 1.5 This second full report covering the period to the end of November is attached (Appendix 2) for information and consideration.

2. PROGRESS REPORT

- 2.1 **Operation of LGSS.** LGSS operated as planned from 1st October. All Director appointments have been made and interim arrangements have been confirmed in respect of the Managing Director position. Team meetings and one to one meetings have taken place between Directors and heads of services and teams. Further team activities are planned built around delivering operational improvements and supporting strategic activities such as the Integrated Plan.
- 2.2 **Financial Performance of LGSS.** Although LGSS has only operated from 1st October for reasons of operational simplicity and financial discipline, LGSS has taken over responsibility for the financial position of in scope corporate services up and until 30th September. There are no significant financial performance issues in either the Northamptonshire or Cambridgeshire "office". See full report for further detail.
- 2.3 **Operational Performance of LGSS.** No operational issue or problems have arisen from 1st October. Prompt payment, aged debtor, system availability and other metrics remain at or above target save for the asset sale target. The asset sale target is behind plan as a result of the Authority decision to retain certain school sites in Cambridgeshire to meet current and future need, these sites previously having been identified for disposal. Both Authorities have led the way in early publication of £500 plus spending.
- 2.4 **Savings and Benefits Delivery.** LGSS savings come from a multiplicity of sources in the current and future years, these sources being detailed in the Business Case. In terms of LGSS Management Team appointments and associated secretarial support, the target saving will be delivered (and further savings will accrue as a result of not filling the Managing Director role in the short to medium term. Savings on the IT hosting contract have also exceeded plan. See full report for further detail.

3. SIGNIFICANT IMPLICATIONS

3.1 Resources and Performance

- There is no implication on the net savings figure for the LGSS Business Case proposed by Cabinet on the 5th July and agreed by Council on the 20th July.

3.2 Statutory Requirements and Partnership Working

- The proposed adjustments do not impact on the partnership with Northamptonshire County Council.

3.3 Climate Change

- There are no climate change implications resulting from the proposed change in scope.

3.4 Access and Inclusion

There are no significant implications for any of the headings within this category.

3.5 Engagement and Consultation

There are no significant implications for any of the headings within this category.

Source Documents	Location
LGSS Business Case	Room 112, Shire Hall, Cambridge