

## Shared Services Update

To: Strategy and Resources Committee

Meeting Date: 27th June 2022

From: Stephen Moir, Chief Executive and Head of Paid Service

Electoral division(s): All

Key decision: No

Forward Plan ref: Not applicable

Outcome: The outcome of well governed and well managed shared service arrangements will enable the Council to ensure that sufficient capacity and capability is focussed upon the needs of Cambridgeshire and the delivery of the Council's priorities.

Recommendation: The Committee is asked to:

- a) note the development of a clear set of services for continued sharing, at a senior level with Peterborough City Council, in accordance with the provisions of the Section 113 agreement between the 2 authorities.
- b) note that formal statutory consultation is underway in respect of reshaping the senior leadership of the Council, providing future clarity for these functions and sufficient differentiation between shared and non-shared services.
- c) approve that any future strategic decisions relating to entering any new or enhanced shared services arrangements will require a formal policy decision through the Strategy and Resources Committee.

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# 1. Background

- 1.1 The Local Government Association (LGA) Corporate Peer Challenge reviews of both Cambridgeshire County Council and Peterborough City Council and other external reviews and inspections highlighted the need to revisit the shared service arrangements and to ensure that each authority has the necessary capacity and capability to deliver services and improve outcomes. As reported in the LGA Peer Challenge, “*shared service provision has been organic, evolving over the years through a business case driven process which is independent of an overarching strategic plan for shared services*”. It was therefore timely that both Chief Executives revisited these arrangements and provided a clear future direction and structure for each authority.
- 1.2 Work was duly completed by the two Chief Executives’, and this led to the commencement of a formal 30-day consultation period within Cambridgeshire County Council, during May 2022, to reshape the senior leadership arrangements for the organisation and to provide clarity about the future of shared service arrangements with Peterborough City Council. This formal consultation commenced following the prior approval of the Staffing and Appeals Committee.

# 2. Main Issues

- 2.1 Both Councils began sharing posts and services in 2015 with the appointment of a joint Director of Public Health followed by a joint Chief Executive. In the six years since then, the two councils agreed to share further posts and services, most notably across the councils’ joint People and Communities directorate, which is led by a shared executive director and a shared senior management team. Following the completion of the LGA peer challenge and the appointment of two separate Chief Executives for Cambridgeshire and Peterborough, a review of the shared service arrangements has been undertaken.
- 2.2 It has been important to guide the development of the future shared arrangements using a set of principles. Whilst not exhaustive, the following have been considered as key principles:
- a. Added value – shared services need to sufficiently demonstrate value for money and the achievement of improved outcomes.
  - b. Resilience – both councils are facing significant pressures, particularly around social care recruitment and retention. Resilience can also be enhanced where capability deficits exist, or where the councils have limited capacity in specialised areas.
  - c. Risk – disruption and change can often cause uncertainty, loss of momentum and, critically, key services can be affected leading to risks of regulatory intervention e.g., safeguarding.
  - d. Stability – both councils wanted to create permanency in terms of their respective corporate leadership teams. Currently teams include posts which are either acting or interim and it is essential in providing stability and permanency to the organisation.

- 2.3 Considering these principles and the organisational design and development needs of each authority, it was agreed that the following functions would continue to be shared between the two Councils, at a senior level, and to varying degrees within the underpinning teams:
- Public Health
  - Adult Social Services
  - Children's Social Services
  - Commissioning (Social Care)
  - Education
  - IT and Digital Services
  - Emergency Planning
  - Information Governance and Data Protection
  - Community Safety
  - Regulatory Services (Trading Standards, Registration and Coroners)
  - Social Care Recruitment
  - Equality, Diversity and Inclusion
- 2.4 Both Chief Executives also agreed that due to the increased divergence and reorientation in corporate strategies and priorities, as well as the improvement agendas for both authorities, that the following roles/areas will not continue to be shared:
- Place and Economy
  - Business Improvement and Development
  - Director of Law and Governance
  - Head of Communications
  - Business Intelligence
  - Communities, Employment and Skills
- 2.5 The governance arrangements for the shared services between the two authorities will continue to be managed through the Shared Services Governance Group, which will be redefined and refreshed following the completion of the senior leadership restructure consultation and implementation of any final, approved changes. This group will continue to act as the custodian of the Council's responsibilities set out in the formal Section 113 agreement between the two Councils.
- 2.6 Whilst the operational governance of existing shared services arrangements is catered for through the current governance group arrangements, strategic policy decisions about any future change to shared services is a political decision, informed by officer advice. It is therefore recommended that the decision to enter into any new or enhanced shared service arrangements, which would potentially reduce the capacity and capability of the organisation focussed solely upon the needs of Cambridgeshire, is a matter reserved to the Strategy and Resources Committee for policy purposes and that any associated impact upon the Council's workforce, at Service Director level or above, would remain within the purview of the Staffing and Appeals Committee.
- 2.7 Although this report provides an update on the status of Shared Services arrangements, it is recognised that these arrangements may well be subject to future change. Such further change may result from Council policy decisions and initiatives, such as Decentralisation, or in direct response to Government policy or legislative change.

### 3. Alignment with corporate priorities

#### 3.1 Environment and Sustainability

There are no significant implications for this priority.

#### 3.2 Health and Care

There are no significant implications for this priority.

#### 3.3 Places and Communities

There are no significant implications for this priority.

#### 3.4 Children and Young People

There are no significant implications for this priority.

#### 3.5 Transport

There are no significant implications for this priority.

### 4. Significant Implications

#### 4.1 Resource Implications

The following bullet points set out details of significant implications identified by officers:

- Subject to the outcome of the consultation process on changes to the Council management structure, there will be financial implications associated with the separation of some currently shared arrangements with Peterborough City Council. A detailed assessment of these costs will be shared with the Staffing and Appeals Committee in July 2022.

#### 4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

#### 4.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

#### 4.4 Equality and Diversity Implications

There are no significant implications within this category.

#### 4.5 Engagement and Communications Implications

There are no significant implications within this category.

#### 4.6 Localism and Local Member Involvement

There are no significant implications within this category.

#### 4.7 Public Health Implications

There are no significant implications within this category.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Tom Kelly, Director of Resources / Section 151 Officer.

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement? No

Name of Officer: Not applicable

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law? Yes

Name of Legal Officer: Fiona McMillan, Director of Law and Governance / Monitoring Officer

Have the equality and diversity implications been cleared by your Service Contact?

Yes

Name of Officer: Janet Atkin, Assistant Director of Human Resources

Have any engagement and communication implications been cleared by Communications?

Yes

Name of Officer: Christine Birchall, Head of Communications

Have any localism and Local Member involvement issues been cleared by your Service Contact? No

Name of Officer: Not applicable

Have any Public Health implications been cleared by Public Health? No

Name of Officer: Not applicable

## 5. Source documents

### 5.1 Source documents

None.