

16 February 2016

Policy, Finance and Resources

Shared Services Options

Report of: *Philip Ruck - Head of Paid Service*

Wards Affected: *All*

This report is: *Public*

1. Executive Summary

- 1.1 The Council is continuously looking for opportunities to protect front line services in the face of a challenging financial environment. Economies of scale, sharing best practise and efficiency gains from combining resources with nearby authorities are being considered by most Councils.
- 1.2 The report recommends that officers provide a business case for further consideration by Members.

2. Recommendation

- 2.1 That Members agree to the Head of Paid Service preparing a business case incorporating options for combining the delivery of our public services with other Councils which will be brought back to Members for consideration.**

3. Introduction and Background

- 3.1 The Council is facing a growing budget gap over each of the next three years. The Medium Term Financial Plan (MTFP) factors in efficiency savings in an attempt to reduce the scale of this deficit. Consideration of shared services is likely to provide savings without directly affecting the delivery of vital statutory front line services. A reduction of various budget lines is unavoidable and will impact most of the Council's services. However this approach is not sustainable or viable if public services are to be maintained and possibly enhanced for our residents.

3.2 The Council has already benefited from such arrangements, the shared service arrangement of the Revenues and Benefits service with Basildon being one such example.

3.3 Whilst a key driver will be efficiency savings, other benefits such as greater service resilience and improved training and career opportunities for employees need to be emphasised.

4. Issue, Options and Analysis of Options

4.1 Only options to exploring partnering with others is being requested at this stage prior to officers resourcing the development of a business case of this option.

4.2 The analysis of any shared service arrangement that will be brought before Members will include:

- Level of service to be provided
- Potential savings
- Operational arrangements
- Risks and contingencies to limit these

5. Reasons for Recommendation

5.1 To investigate how transforming service delivery may assist in maintaining or enhancing the local delivery of these services whilst saving costs through efficiency gains and economies of scale. Added value benefits of such an arrangement will be those from sharing best practise with other Authorities together with increased capacity and resilience.

6. Consultation

6.1 Not appropriate at this stage

7. References to Corporate Plan

7.1 This reflects the Council's vision for Transformation as it looks to reduce costs by streamlining services and processes.

8. Implications

Financial Implications

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8.1 These will be fully evaluated as part of the business case process.

Legal Implications

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- 8.2 The legal implications in respect of service level agreements etc. will need to be considered in detail should this option be progressed.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

- 8.3 These will all be addressed should the option be progressed.

9. **Background Papers**

- 9.1 None at this stage

10. **Appendices to this report**

- Not applicable

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