

DECISION-MAKER:	OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE
SUBJECT:	SHARED SERVICES
DATE OF DECISION:	12 th JULY 2012
REPORT OF:	CABINET MEMBER FOR RESOURCES
STATEMENT OF CONFIDENTIALITY	
None	

BRIEF SUMMARY

This report has been requested by the Chair of the Overview and Scrutiny Management Committee. It summarises the council's developing approach to the development of shared services.

RECOMMENDATIONS:

- (i) That the Committee considers the report and provides feedback.

REASONS FOR REPORT RECOMMENDATIONS

1. To assist the Committee in understanding the council's approach to shared services.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

DETAIL (Including consultation carried out)

3. The council faces tough financial challenges and is already making significant savings this financial year. It will need to make an estimated further £46 million in savings over the next two financial years (2013/14 and 2014/15). This requirement to make large savings coupled with the administration's commitment to protect front line services necessitates new ways of delivering services. In doing so, we want to consider a range of service delivery options are low cost and high value including:
 - Internal Transformation: Redesign of services / activities to achieve step changes in customer experience, costs reductions or performance
 - Lead Organisation / Trading Company: Lead authority establishes vehicle and provides services on behalf of other organisations
 - Shared Services: Merger of services between organisations
 - Strategic Partnerships: Contractual arrangement to jointly plan and deliver long term transformation objectives
 - Joint Ventures: New organisation (usually a company) created with another public / private or voluntary sector organisation.
4. Our strategic, planned and coordinated approach will focus on maximising opportunities for improvement and efficiency as well as delivering the savings through:
 - Working with partners who share the same customer base e.g. public sector partners on Southampton Connect who provide services to residents and businesses in the city
 - Working with councils who provide similar services, thereby exploring the potential for reducing costs through joint provision
 - Working with councils who share a common focus e.g. Capita contract or external funding bids
 - Working with councils who share a common purpose within the sub

- Networking within the LGA to explore shared services across a wider geographic region for example, working on issues such as HMO licensing.
5. In doing so, we want to initially focus on the following:
- Support existing joint appointments with other public sector organisations e.g. Health (Joint and Integrated Commissioning for Health and Adult Social Care) and Portsmouth City Council (Joint Director for Health and Adult Social Care)
 - Encourage and support managers who are developing or have developed successful ideas for shared services e.g. Internal Audit (with Hampshire County Council), Building Control Partnership (with Eastleigh Council), Legal Services (Fareham Borough Council) and Educational Support Services (Isle of Wight Council)
 - Actively explore shared arrangements for those services that can be delivered across community boundaries rather than council boundaries e.g. with Eastleigh Borough Council
 - Work with Portsmouth City Council on joint arrangements for direct services as well as functions such as Communications
 - While we want to ensure we have complete focus for strategic environment and economic development issues at director level within the city, we remain committed to joint working and will continue to develop our relationship with the Isle of Wight. Therefore, managers are continuing the work currently being undertaken within Planning, Transport and Sustainability to fully consider options for shared services
 - We have confirmed our support specifically for the ongoing development of joint working with Isle of Wight Council in Children's Services and Learning, and also with Portsmouth City Council in Adult Social Care.
6. We want to work public sector partners in Southampton to explore fully the potential for joint working to deliver better outcomes for local residents and businesses. We are committed, for example, to:
- piloting the concept of using a school as a community hub with a wide range of public services provided from the site, e.g. health, advice, police
 - Sharing Communications with other public bodies
 - Our commitment to the green agenda will be reflected in the work we intend to do with other local authorities and housing associations to set up an Arms-Length Company to deliver green energy.
7. Needless to say, we are in the processes of translating our vision into achievable plans and are in active discussions with a number of partners – we intend to keep an open mind to deliver the best possible outcomes for local communities.

RESOURCE IMPLICATIONS

Capital/Revenue

8. None

Property/Other

9. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

10. The duty to undertake overview and scrutiny is set out in Section 21 of the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

Other Legal Implications:

11. None.

POLICY FRAMEWORK IMPLICATIONS

12. None.

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KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	None directly as a result of this report.
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	None
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Documents In Members' Rooms

	None
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Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	No
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Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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