

**Shared Services Report**

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**1. OVERVIEW**

1.1 There are two streams to the shared services approach in Argyll and Bute:

- Argyll and Bute Council sharing services within Argyll and Bute with police, fire, health/Community Health Partnership. This work is being taken forward by the Community Planning Partnership (CPP) Executive Sub Group.
- Argyll and Bute Council sharing services in the wider Highlands area with key partners including Highland Council and NHS Highland.

**2. RECOMMENDATIONS**

- 2.1 That the Executive notes the content of this report and the work of the CPP Executive Sub Group / shared services group in the wider Highlands area.
- 2.2 That the Executive notes that the shared services agenda will be taken forward as a new project within the transformation programme in order that it can progress in line with the other transformation themes rather than in isolation.
- 2.3 That the Executive agrees to pass the resolution / motion as detailed in paragraph 3.6 hereof.

**3. BACKGROUND**

- 3.1 In follow up to the Public Sector Partners work that had taken place over the last year, the CPP Management Committee agreed to set up an Executive Sub Group in summer 2010 to take forward shared services proposals in the Argyll and Bute area arising from the Public Sector Partners' action plan. This group involves senior officers from Strathclyde Fire and Rescue, Strathclyde Police, Argyll and Bute Council and NHS Highland / Argyll and Bute Community Health Partnership. The group has met three times and has instigated discussions around shared budget planning, shared budget communication / consultation between key partners and has considered a number of key service areas for sharing services.
- 3.2 The meeting of the Convention of the Highlands and Islands in April 2010, at which the paper on a proposed shared services review was to be discussed, was postponed due to the volcanic ash issue affecting transport. The paper was consequently discussed with Convenors and John Swinney, Cabinet Secretary for Finance and Sustainable Growth on 27 May to consider a potential shared services review for the Highlands and Islands. This discussion was followed up by the Chief Executive and the Leader of Argyll and Bute Council to agree the next steps and a mixed response to carrying out a review was received. The original proposal to carry out a shared services review is therefore now being taken forward as a shared services project by Argyll and Bute Council, Highland Council and NHS Highland.

- 3.3** Key areas for sharing services are now being scoped under three categories - leadership, front line service delivery and support services. There are two streams to this work, the first covering the Argyll and Bute area (incorporating police, fire, health/Community Health Partnership) and the second covering the Argyll and Bute and Highland areas (incorporating Argyll and Bute Council, Highland Council and NHS Highland). A list of shared services options has now been compiled for each of the streams and we have schedules setting out areas identified as being worth early pursuit, having longer term objectives, or not currently worth pursuing. As a result of this, we will therefore seek to target those areas of operation which offer the greatest opportunities as early as possible as well as taking forward sensible options that may require a longer timescale for implementation.
- 3.3.1 Key options in stream one (Argyll and Bute area) for consideration include the sharing of assets, customer service points and integrated health and social care teams. More detail can be found at appendix one.
- 3.3.2 Key options in stream two (wider Highlands area) for consideration include opportunities for elements of integrated back office and corporate teams (for appropriate generic streams), customer contact and information and potentially strategic transportation and social and health integration in the longer term. More detail can be found at appendix one.
- 3.4** Actions already underway include sharing budget planning information between agencies and developing a joint budget communications/consultation strategy to avoid duplication, provide a consistent message and minimise the negative impact of spending reductions on communities. This will also ensure the impacts of one agency's savings on other partners are known and discussed in advance.
- 3.5** A range of other shared services initiatives is taking place across the Highlands and Islands and respective agencies are sharing information on the work being carried out. The council is also looking at options beyond the pan Highland area and these will be discussed with relevant agencies. For example, as a result of the Clyde Valley Review, there are opportunities identified for the possible sharing of some services with West Dunbartonshire Council and these are being considered and where suitable, pursued.
- 3.6** The next stage in this work is to establish the full remit and scope of the project and to allow this to happen, it is necessary to put in place governance arrangements to set the parameters within which the respective agencies will operate the project and regulate matters between them. On the council's part, it is proposed that a motion / resolution is passed in the following terms:
- 3.6.1 That the council is committed to ensuring best use of its resources and, having regard to that, is committed to working with shared services partner organisations to identify and develop opportunities and options for the delivery of shared services to achieve efficient and effective resources and better outcomes for customers/clients/patients. For the purposes of this motion/resolution, shared services means sharing resources in common with other public authorities and other partners or through other procurement or contractual arrangements to achieve more efficient and effective delivery of the identified services.
- 3.6.2 That the council delegates to the Chief Executive, authority to represent the council at a cross public authority joint project board in terms of the remit outlined in 3.6.6;

- 3.6.3 That the project board consists of the Chief Executive (or head of the paid service) of each shared services partner together with one other senior officer from each partner. The Council would nominate the Head of Community and Culture with the support of the Chief Executive Support Officer in this role;
- 3.6.4 That the chair of the project board be elected by the members of the project board from one of their number;
- 3.6.5 That the project board invite a senior officer from Scottish Government to be the project sponsor and that individual would sit on the project board;
- 3.6.6 The remit of the Project Board shall be:
- To identify and develop opportunities and options for shared services to deliver more effective and efficient services in common with other shared services partners and to make recommendations to the respective participating public authority in regard to such opportunities and options and, in doing so, to recommend a scope of services for assessment and a process by which that assessment will be carried out.

#### **4. CONCLUSION**

- 4.1** In light of the external financial and political environment, there has never been more pressure, or a greater opportunity for public sector partners to move to more integrated ways of working. The work to progress shared services will be a key driver for transforming public sector service delivery. Support for this programme of work has been clearly indicated by the Cabinet Secretary and a commitment given to try to remove any structural obstacles to shared services that may be encountered. The link to other transformation projects, such as the council's service reviews and modernisation programme will be key to this transformation so that Argyll and Bute can realise its potential together.

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## Appendix One – Potential Service Areas for Sharing

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### Stream One – Argyll and Bute Options

Argyll and Bute Council is seeking to share services within Argyll and Bute with all partners in scope, beginning with community planning partners. This work is being taken forward by the Argyll and Bute CPP Executive Sub Group, which incorporates senior officers from Strathclyde Fire and Rescue, Strathclyde Police, Argyll and Bute Council and NHS Highland. The CPP Executive Sub Group has a distinct remit to deal with the impact of the unprecedented financial and political challenges facing the public sector in Argyll and Bute. It will do so by agreeing the joint priorities for the area and agreeing the way forward for shared services, whilst keeping wider partners informed of, and involved in, the shared services agenda. In addition, the group is tasked to agree on an appropriate monitoring and evaluation framework to assess the effectiveness of shared and integrated services and to agree the remit for the CPP Management Committee in reviewing this work in the future. More detail can be found in the table below:

#### Argyll and Bute Options

##### Leadership

- Joint management models (ranging from joint working to full service integration and governance) across health and social work - a paper on the long term vision on the provision of social care and health service in Argyll and Bute is being developed. It should be noted that we have a unique opportunity due to the boundary of the local CHP and local authority being fully co-terminous, as well as there already being a variety of examples of joint social care and health services across the UK

##### Front Line Services

- NHS and children and families/adult services could potentially be merged operationally as well as managerially in the longer term
- Strategic transportation such as sharing of public transport services (being considered along with fleet). Joint procurement of vehicles and joint support for the landing of air assets on remote island communities
- Shared document management/resources
- Joint waste management arrangements
- Potential for sharing local cleaning, catering and janitorial contracts
- Sharing offices and front desk customer service points

##### Support Services

- Potential co-location of Council and CHP headquarters
- Joint local asset management arrangements to be put in place (in terms of management and physical buildings such as depots/offices etc)
- Extend joint training provision between partners
- Joint payroll facility (consider with finance and transactional HR)

### Stream Two – Argyll and Bute and Highland Options

Argyll and Bute Council is also seeking to share services in the wider Highlands area with key partners including Highland Council and NHS Highland. Within this stream, initial options for consideration include opportunities for elements of integrated back office and corporate teams (for appropriate generic streams), customer contact and information and potentially strategic transportation and social and health integration in the longer term. More detail can be found in the table overleaf.

## Argyll and Bute/Highland Options

### Leadership

- Business/corporate improvement teams in discussions regarding a joint approach to taking business improvement projects forward
- Develop use of LAGAN and use of Resource-link jointly
- Potential for sharing policy employees and expertise
- Joint approach to communications key messages in relation to budget situation
- Integrated Resource Framework between Argyll and Bute and Highland Councils
- Potential sharing of HR, health and safety and employee/member development functions (starting with the sharing of expertise and software)
- Potential of carrying out joint internal audit activities
- Strategic transportation such as joint procurement of vehicles, joint lobbying and potential to share management of Corran Ferry
- Highland has a joint Director of Children's Services (health and social care) and future discussion about the practical extension of this arrangement to Argyll and Bute Council/CHP in the longer term

### Front Line Services

- Reciprocal arrangements for hot desking in areas close to boundaries
- Development of shared policy and implementation of mobile/ flexible working arrangements for staff groups supported by new technology developments
- Share health promotion resources such as policy development
- Share enforcement elements of regulatory services - sharing specialist knowledge and sharing load in terms of initial assessments
- Potentially share accessibility of design teams in relation to capital programmes
- Sharing information on both councils' approach to customer management projects including contact centre, web development and out of hours contact
- Look at shared cultural services such as joint library management and service delivery (ordering/stock control). Work jointly on community halls projects (likely to go to community ownership)
- Welfare rights – sharing money/financial advice services
- Look at community safety partnership linkages and share road safety resources
- Elements of joint waste management arrangements (linking into joint arrangements between Moray and NHS Highland)
- Potential links into the joint Business Gateway arrangement between Highland Council and Moray Council

### Support Services

- Joint IT procurement (e.g. upgrade of Oracle etc) and IT joint support. Benchmarking between the two councils to begin immediately
- Shared training in risk management
- Development of shared transactional HR and finance operations
- Sharing of strategic equality and diversity policy development across Argyll and Bute and Highland areas
- Joint energy procurement and carbon reduction campaign management
- Potential for linking up legal teams and sharing specialist expertise (e.g. employment law) to make potential savings on external contracts
- Potential for joint bio-diversity function across both councils