

## **NORTH LINCOLNSHIRE COUNCIL/NORTH EAST LINCOLNSHIRE COUNCIL**

<p><b>JOINT COMMITTEE FOR SHARED SERVICES BETWEEN NORTH LINCOLNSHIRE AND NORTH EAST LINCOLNSHIRE COUNCILS</b></p>
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### **ICT SHARED SERVICE**

#### **1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To consider the proposed structure for the ICT shared service between North Lincolnshire Council and North East Lincolnshire Council.
- 1.2 The key points are:
  - Full consultation has taken place with all in scope staff and unions
  - The proposed single structure meets the requirements set out in the ICT work stream business case
  - The structure will deliver the required staffing efficiencies and associated savings

#### **2. BACKGROUND INFORMATION**

- 2.1 The shared back office services initiative between North and North East Lincolnshire Councils has grown out of the need to provide efficient and effective support services at minimum cost in order to protect frontline services to local people within Northern Lincolnshire. Arrangements are therefore being developed to implement shared services for information technology, finance, internal audit, human resources and legal services. These arrangements will also include member development and training and graphic design/publications functions.
- 2.2 Following the decision to proceed with the implementation of shared services in January/February 2015, each of the above services have produced business plans that set out in detail how each service will be structured, how it will deliver the joint service, what investment needs there are, how the target savings will be achieved and how the needs of stakeholders will be met.
- 2.3 Arising from that work this report sets out the proposed structure for the ICT shared service (Appendix A) for the Joint Committee to consider.

2.4 The current responsibilities for the ICT teams at both Councils are very similar, these include:

- Providing an ICT technical function supporting each councils critical business applications
- Developing and supporting core hardware, software and network infrastructures
- Providing a key ICT business partnering role to service areas in achieving business change and transformation
- Web, digital technologies and innovation
- ICT Security and compliance
- ICT Servicedesk and self service facilities
- ICT Asset and demand management
- Strategic ICT budget management
- Disaster recovery and business continuity facilities

2.5 The functions are both led by suitably qualified and experienced ICT Heads, reporting to their respective Assistant Directors.

2.6 The vision of the ICT shared service can be articulated as follows:

- Operate as a single service, with defined teams within a single service structure
- Increase resilience by reducing risks inherent in each council around specific knowledge and skills, building capacity around products and services
- Achieve budget savings from a lower combined organisation structure, enabling savings targets for 16/17 onwards to be realised
- Utilise and build on best practice from each ICT department and make best use of existing contracts and assets
- Have full control of ICT spend across both Councils
- Develop a joint ICT Strategy that will meet the needs of both Councils, standardising on core ICT solutions / provision
- Operate a single ICT solution centre and self-help tool supporting the needs and demands of both Councils
- Create a common ICT Service Level Agreement (SLA) with agreed customer informed common performance and service level targets., measured by overall positive customer satisfaction and achieving agreed performance targets/KPIs
- Standardise, join up and stream line existing ICT infrastructure and systems focusing on the best that each council utilises, or procuring new technology and systems for joint use as appropriate (Technical Standards)

- Enhance business change and transformation capabilities recognising the critical role of ICT in supporting both councils in achieving their ongoing strategic cost reduction objectives
- Consolidate Data Centres and build on existing infrastructure.
- Adopt a single approach to IT policy and strategy development
- Develop a single approach to digital development
- Develop a programme to identify future opportunities to assist in the consolidation, rationalisation or replacement of service area ICT applications used across both authorities
- Make full use of wider shared services opportunities by utilising the benefits of the Yorkshire and Humber regional Public Service Network where appropriate
- Build on and help retain existing workforce strengths and key technical skills to deliver high quality transformational, strategic and operational ICT services
- Redefine and establish an approach to commercial / traded ICT services, to include schools and academies

2.7 The proposed structure is shown in Appendix A.

As detailed in the business case the service will be led by the ICT Shared Service Group Manager responsible for the overall direction of the service, with a key focus on strategy and business functions. This position is supported by the Head of ICT Services (Delivery) with responsibility for the delivery of critical operational, technical and customer functions. This role is also the Senior Information Risk Owner (SIRO) for North Lincolnshire Council. Below this layer the service is structured as four teams, each with a Strategic Lead:

- ICT Strategy and Governance
- ICT Transformation
- ICT Business Systems and Support
- ICT Communications and Facilities

Staff will remain on their current terms and conditions and will continue to be employed by their current employer. Staff will be expected to be agile and prepared to travel between NELC and NLC although the extent of the travel required will vary depending on the nature of the post.

## 2.8 **ICT Management Team**

The proposed structure seeks to rationalise the current eleven management level posts (NELC six posts and NLC five posts) to a joint SMT comprising six posts: the ICT Shared Services Group Manager, Head of ICT Services (Delivery) and four Strategic Leads. Each strategic lead

has a defined team with appropriate staffing levels, including specialists to provide expert knowledge and direction.

## **2.9 ICT Strategy and Governance**

The team will deliver the following functions:

- ICT strategy and policy development
- Performance management and value for money
- Financial management
- Commercial ICT development
- Business continuity matters
- Risk management
- ICT Procurement and contract management/alignment
- Freedom of Information support
- ICT demand and asset management

## **2.10 ICT Transformation**

The team will deliver the following functions:

- ICT Business Partnering
- ICT Planning and service area support
- ICT Project/Programme Management
- Transformation/Improvement
- ICT and Digital Innovation
- ICT and Digital Research
- Implementation of Digital technologies
- Web development/tools

## **2.11 Business Systems and Support**

The team will deliver the following functions:

- Desktop and remote technical support
- IT Solution centre/Service desk
- Self-help development and facilities
- ICT Change management
- Disaster recovery planning/facilities
- Business Application support and development
- MFD Print management
- Technical innovation
- Out of hours response/support

## 2.12 ICT Communications and Facilities

The team will deliver the following functions:

- ICT Infrastructure Management, development and support
- Wireless/mobile facilities
- Voice and unified communications facilities
- Agile working tools
- Email/messaging services
- IT Security and compliance
- Data centre/storage facilities
- Hosting/cloud

2.13 Job descriptions and job profiles have been aligned across both Councils. Confirmed grades have been included and used in the service costings and supporting savings analysis.

## 3. OPTIONS FOR CONSIDERATION

3.1 To note and approve the structure set out in Appendix A.

3.2 To note the report and not to approve the structure set out in appendix A.

## 4. ANALYSIS OF OPTIONS

4.1 The proposed structure set out in Appendix A has been subject to consultation with staff and unions and considered by the shared services programme board. It represents an efficient and workable structure to deliver these important services to both Councils. Saving targets are met through the implementation of this structure whilst maintaining quality services that meet the required professional standards.

4.2 Approval of the structure will:

- Enable recruitment to commence to secure the services of qualified and experienced staff; and
- Reduce anxiety and provide some certainty to staff on their future employment and working arrangements

4.3 To not approve the proposed structure set out in Appendix A will potentially result in delays to the implementation of the ICT shared service and a subsequent delay in operational preparations to deliver an integrated service to both Councils by 1 April 2016.

## 5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 The structure has been fully costed and meets the efficiency savings targets (staffing) of £100k for NELC and £244k for NLC and a reduction of approximately 12 FTE posts. Any additional costs of redundancy and protection will be funded by the Transformation Challenge Award (TCA).
- 5.2 Unanticipated costs associated with the licensing of shared infrastructure and systems have recently been identified. These will initially be addressed through use of the Transformation Challenge Award funding and subsequently made cost neutral through further efficiency and other cost mitigation measures.
- 5.3 The shared service will continue to occupy the office accommodation they use at present but with changed configuration. Agile working principles will be employed wherever possible to ensure both councils are serviced efficiently. Some joint teams will need to be located at one council and also work at the other council's sites.
- 5.4 The successful operation of the shared service is dependent on accessible common ICT infrastructures and facilities. This will facilitate agile joint working across the two councils.

## **6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT**

- 6.1 An Integrated Impact Assessment for the proposed shared services has been carried out and no adverse issues were highlighted.
- 6.2 Potential impacts will continue to be explored and monitored via the shared services programme risk register.

## **7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTEREST DECLARED**

- 7.1 Discussions have taken place with management, staff and trade unions.
- 7.2 No conflicts of interest have been declared.

## **8. RECOMMENDATIONS**

- 8.1 It is recommended that the Joint Committee approves the ICT structure as set out in Appendix A

### **REPORT FROM THE SHARED SERVICES BOARD**

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**Background Papers used in the preparation of this report – Nil**

APPENDIX A - Proposed ICT Shared Service Structure

