

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

**JOINT COMMITTEE FOR SHARED SERVICES BETWEEN NORTH  
LINCOLNSHIRE AND NORTH EAST LINCOLNSHIRE COUNCILS**

**SHARED SERVICES PERFORMANCE REPORT: QUARTER 3**

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

- 1.1 To note the highlights and successes of the shared services for the third quarter of 2016-17 and to note the priorities for the fourth quarter
- 1.2 To note the financial performance of the shared service as at December 2016.

**2. BACKGROUND INFORMATION**

- 2.1 Shared services went live on 1 April 2016 for ICT, Internal Audit, Human Resources, Finance and Legal Services. Procurement and the Print & Design People went live on 1 July 2016. Local taxation & benefits was already a shared service prior to the 1 April 2016.
- 2.2 In order to determine whether the workstreams are maintaining good levels of service and delivering outcomes for the two councils, each of the individual workstreams has identified a number of performance measures and indicators.
- 2.3 The performance measures will determine how well the individual workstreams are providing their services and the performance indicators will determine whether they are delivering the outcomes for the two council's and the taxpayers of North Lincolnshire.
- 2.4 The performance of the shared services workstreams will be reported quarterly through the Shared Services board and the Joint Committee, along with financial and workforce performance alongside a list of outcomes delivered in the quarter.

**3. OPTIONS FOR CONSIDERATION**

- 3.1 The attached report identifies performance of the shared services for the third quarter of 2016-17. As shared services only officially went live on 1 April, there will be a period of time where processes are put in place to provide previously individually collected data, consistently across both councils.

3.2 The attached report identifies many successes during the third quarter and these include:

- **Integrated HR/Payroll system:** Tender documentation and a specification were prepared to release a tender for a single integrated HR and Payroll system across both councils.
- **Housing Benefits:** Successful implementation of the housing benefit cap.
- **Leisure On-line Bookings:** Online Bookings went live for Leisure services at The Pods. Over 200 customers registered within the first two weeks. All North Lincolnshire Leisure Centres are expected to go-live with online bookings in spring 2017.
- **North East Lincolnshire Intranet:** The re-developed NELC intranet went live on 1st November 2016.
- **Mobile Phone Contract:** North Lincolnshire council's mobile phone handset contract was awarded. The new devices have been ordered and received and Phase 1 deployment and tariff changes were undertaken in December.
- **Legal Prosecution:** Successful prosecution against a property of multiple occupation.
- **Court Closure:** Closure of court at Scunthorpe and successful transfer of committals work to Grimsby.

3.3 The performance of the shared services is considered in the report at appendix A. Overall, the majority of performance measures and indicators are on track and improving. These include:-

- 88% of external invoices across both councils were paid with 30 days
- All Public law cases and court filing dates were completed within deadline
- 89% of ICT solution centre calls across both councils were resolved within target
- 83% of ICT minor faults across both council were fixed within timescale
- 78% of ICT major faults across both councils were fixed within timescale
- 96% of Insurance liability claims across both councils were registered within deadline
- There is a 100% client satisfaction with audit services

3.4 A number of IT indicators were reported to be off-track at quarter 2, due in part to bringing together and harmonising the IT requirements and services of two large organisations. Performance continues to improve with the majority of performance measures now being on-track.

- 3.5 The increase in time taken to process Housing Benefits was due to the service transformation that was implemented in July. Given the new operational practices it is taking a longer than initially anticipated period to bring performance back up to pre-service expansion levels. Work continues to bring processing times down on both new claims and changes in circumstances.
- 3.6 The total pooled revenue budget for Northern Lincolnshire Business Connect for 2016-17, totals £14.1m. This is made up by a contribution of £7.17m from North Lincolnshire council and £6.92m from North-East Lincolnshire council. At the end of the 3<sup>rd</sup> quarter the forecast outturn at the end of 2016-17 is £14.36m, a projected over spend of £268,276. The main areas that are projected to overspend at present are the Finance Partners; the Legal People and the HR People.
- 3.7 Savings from procurement activity total £791,000 across North & North-East Lincolnshire councils.

#### **4. ANALYSIS OF OPTIONS**

- 4.1 That the Joint Committee notes the performance report for quarter 3, 2016-17.

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

##### 5.1 Financial

The total pooled revenue budget for Northern Lincolnshire Businesses Connect for 2016-17, totals £14.1m. At the end of the 3<sup>rd</sup> quarter there is forecast outturn at the end of 2016-17 of £14.36m, a projected over spend of £268,276.

##### 5.2 Staffing

There are no staffing implications.

##### 5.3 Property & IT

There are no property and IT implications.

#### **6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

- 6.1 Not Applicable

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

7.1 The performance of the shared service and its workstreams is considered by the Shared Services management team and the Shared Services Board.

## **8. RECOMMENDATIONS**

8.1 That the performance of the shared service is noted

SHARED SERVICES OFFICER BOARD

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SCUNTHORPE,  
North Lincolnshire,  
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Author: Nigel Manders  
Date: 28 March 2017**



## Northern Lincolnshire Business Connect Combined Performance Report Quarter 3 2016-17

### Section 1: Executive Summary

This report sets out key performance information for Northern Lincolnshire Business Connect as at quarter 3

- ◆ Performance data is being reported for the combined services and by individual councils
- ◆ At quarter 3, 13 out of 17 (76%) combined performance measures are on-track or within tolerance ('How Well')
- ◆ At quarter 3, 19 out of 26 (73%) NLC performance measures are on-track or within tolerance ('How Well')
- ◆ At quarter 3, 16 out of 22 (73%) NELC performance measures are on-track or within tolerance ('How Well')
- ◆ At quarter 3, 16 out of 17 (95%) combined performance indicators are on-track or within tolerance ('What Difference')
- ◆ At quarter 3, 10 out of 13 (77%) NLC indicators are on-track or within tolerance ('What Difference')
- ◆ At quarter 3, 5 out of 8 (63%) NELC indicators are on-track or within tolerance ('What Difference')
- ◆ The average days lost to sickness absence at the end of quarter 3 is 6.33 days
- ◆ NLBusinessconnect are currently projecting a £268,276 revenue overspend at the year end

The performance report for NLBusinessconnect identifies how the 8 elements of the service have performed in the 3rd quarter of 2016-17. The report is split into a number sections and identifies how the individual elements have performed against the framework of:

- How Much Did we Do
- How well did we do it?
- What Difference did it make

The report also considers both financial performance of NLBusinessconnect and the impact on the workforce

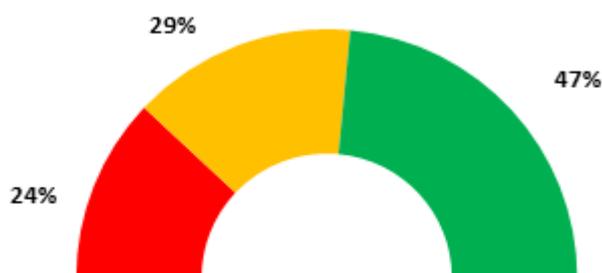
### Section 2: Performance Summary

#### Section 2.1: 'How well did we do it' - Combined Performance

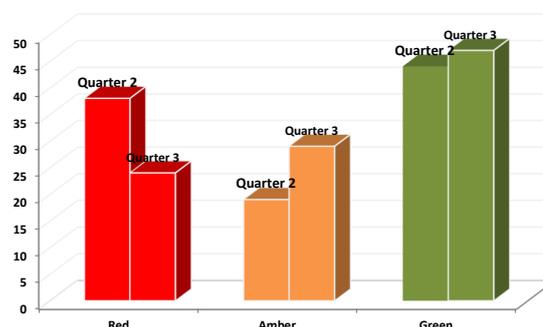
There are 33 measures of service performance, which are split between North and North-East Lincolnshire and where possible these are combined to show the performance of the whole shared service. At the end of quarter 3, there were 17 combined measures where we can compare current performance to the level of service we are aiming to provide. In a number of areas, it is not possible or relevant to combine the individual council results into one combined figure.

At the end of quarter 3, 76% of these combined measures are on-track and 24% off-track. Those that are off-track are considered within the individual sections but it should be noted that the majority of those have improved significantly from Quarters 1 and 2.

'How Well Did we do it' - Combined Quarter 3



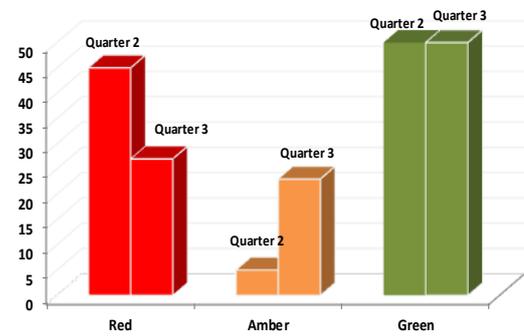
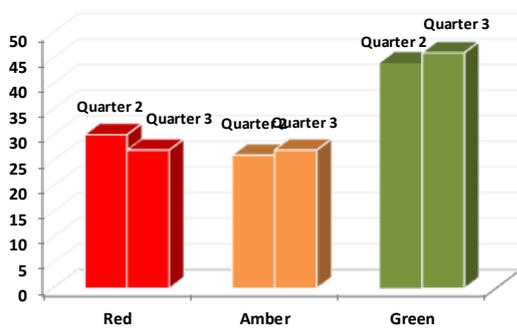
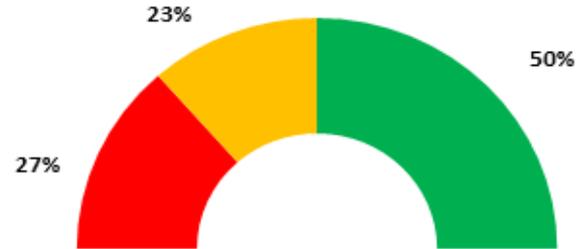
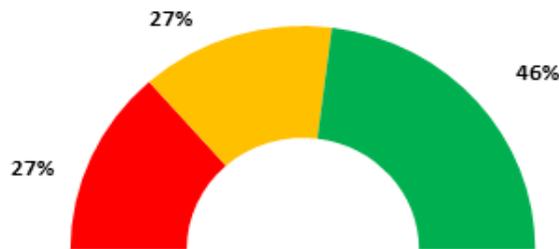
Comparison with Quarter 2



Section 2.2 'How well did we do it' - Individual Council Performance

RAG Position (North Lincolnshire)

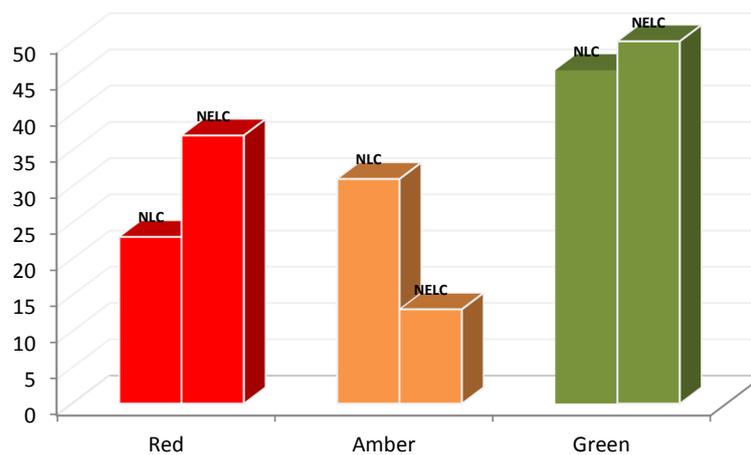
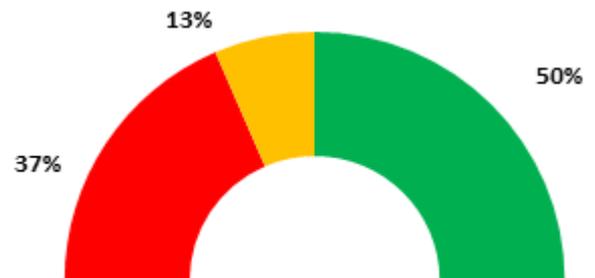
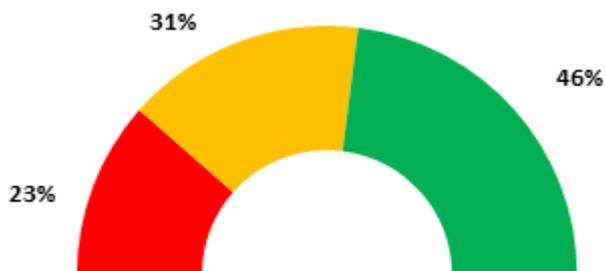
RAG Position (North-East Lincolnshire)



Section 2.3 'What Difference Did it Make' - Individual Council Performance

RAG Position (North Lincolnshire)

RAG Position (North-East Lincolnshire)



**Section 3: Shared Service Achievements/Highlights**

**IT ENABLERS**

- The ICT customer Drop-in sessions began in November. They take place daily in each of the core council buildings across both councils. This gives customers the opportunity to get ICT issues resolved on the same day, and helps reduce call queues. This is a pilot until the end of March where we will review uptake of the ICT Drop-ins and make the necessary changes as required. Additional communications about ICT Drop-ins will be communicated during January.
- The IT Enablers have successfully replaced the Antivirus software used on all NLC PCs/Laptops and servers. The Trend Antivirus product has been replaced with SOPHOS antivirus. Moving to a single solution for anti-virus has reduced contractual costs and administration overheads. Single alerts and report are now possible, easing ongoing monitoring of a crucial security tool.
- Online Bookings has gone live for Leisure services at The Pods. This was a longstanding project and has gone live with over 200 customers registering in the first two weeks. All North Lincolnshire Leisure Centres are expected to go-live with online bookings in spring 2017.
- NELC intranet – The re-developed NELC intranet went live on 1st November 2016. Out of approximately 5600+ documents, 698 have been uploaded on to the new system. As of the end of December there has been 1408 user account registered. NELC have 1940 registered ICT network users.
- The mobile phone handset contract at North Lincolnshire council was awarded to Eden. The new devices have been ordered and received and Phase 1 deployment and tariff changes were undertaken in December. Phase 1 has been focussed on priority users including those who had faulty blackberry handsets. Phase 2 (550 devices) will commence early in Quarter 4. Lessons learned from the Phase 1 deployment are being considered to inform the plan for Phase 2.
- NELC Digital Diagnostic contract awarded and diagnostic commenced. ICT strategic lead on the project working with the Customer Service Manager. Presentation to NELC Leadership Team delivered and well received in terms of digital strategy progress. Digital Delivery Board continuing to develop and implement the digital work packages.

**The ASSURANCE PEOPLE**

- Commencement of rolling review of single person discounts
- Completion of the revised code of governance

**The HR PEOPLE**

- Implemented new Accident and Incident Reporting and Investigations System at North Lincolnshire Council.
- Implemented revised sickness absence management data and trigger point reports to Heads of Service at North East Lincolnshire Council
- Completed tender documentation and specification in preparation for releasing tender for a single integrated HR & Payroll system across both councils.
- Commenced service provision to new commercial customers
- Supported recruitment and appointment of Executive Directors as part of North Lincolnshire Council Senior Management Review
- Organised and co-ordinated annual Making a Difference Awards scheme and awards ceremony for North Lincolnshire Council

**PRINT HUB +**

- ID Card workshops completed December 2016
- Design Turnover at North Lincs is up by 23%
- Digital Print Turnover at North Lincs is up by 12%

**The LEGAL PEOPLE**

- Tent City in Scunthorpe – obtained order in County Court, which resulted in the safe recovery of the land obtained by public protest.
- Successful prosecution against a property of multiple occupation. The company was fined £300 with a victim surcharge of £120.00.
- Successful planning enforcement prosecution resulting in £660.00 fine, £345.00 costs and the victim surcharge of £66.00.

### Section 3: Shared Service Achievements/Highlights

#### LOCAL TAXATION & BENEFITS

- Continued improvement in Housing Benefit performance.
- Council tax collection remains steady and NNDR collection continues to exceed targets.
- Successful implementation of the housing benefit cap.
- Closure of Court at Scunthorpe and successful transfer of committals work to Grimsby.
- Successful extension of automated payment line to include Housing Benefit overpayments (NLC only).
- Revaluation exercise with VOA for Business Rates at both council successfully completed.

#### THE PROCUREMENT PEOPLE

- Development and launch of Procurement E-Learning and Self-Service Packages
- Development and launch of the revised Procurement Strategy
- Pilot the balance score card with NL construction framework
- Further develop and launch category plans

#### THE FINANCE PARTNERS

- Staff from both councils have attended a series of Business Partnering training sessions. These sessions have been delivered by Human Resources staff and Chartered Institute of Public Finance and Accountancy (CIPFA) staff working in conjunction to deliver training in a wide range of skills and techniques.
- The Accounts team have written Accounting Policies for both councils for use in closing the 2016/17 accounts. Working paper requirements have been agreed with External Audit.
- The service has been working with Senior Managers across all services to prepare the Medium Term Financial Plans for both councils, whilst ensuring all statutory deadlines are met.

**Section 4 Financial Management**

The total pooled revenue budget for Northern Lincolnshire connect for 2016-17, totals £14.1m. This is made up by a contribution of £7.17m from North Lincolnshire council and £6.92m from North-East Lincolnshire. At the end of the 3rd quarter, the forecast outturn at the end of 2016-17 is £14.36m, a projected over spend of £268,276. The 3 main areas that are projected to overspend at present are The Finance People, the Legal People and the HR People with LT&B projecting to underspend.

The summary information is shown in table 1 below.

Northern Lincolnshire Business Connect - Pooled Budget Statement to December (2016/17 Financial Year)

	2016/17 Budget			Year To Date Actuals			Forecast Outturn			Forecast over/(underspend)			%
	Shared Service			Shared Service			Before Risk Share			After Risk Share			
	NEL	NL	Total	NEL	NL	Total	NEL	NL	Total	NEL	NL	Total	
	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	(£ 000's)	
The Assurance People	325,300	501,000	826,300	335,969	254,200	590,169	323,919	499,133	823,052	(1,381)	(1,867)	(3,248)	(0.39)
The Finance Partners	1,056,400	1,312,000	2,368,400	900,150	1,006,447	1,906,597	1,083,473	1,344,165	2,427,638	27,073	32,165	59,238	2.50
The HR People	1,274,000	1,577,000	2,851,000	124,476	214,843	339,319	1,422,136	1,647,000	3,069,136	148,136	70,000	218,136	7.65
IT Enablers	2,758,900	2,843,000	5,601,900	2,694,439	1,996,466	4,690,905	2,803,016	2,888,460	5,691,476	44,116	45,460	89,576	1.60
The Legal People	974,700	315,000	1,289,700	1,103,180	353,861	1,457,041	1,087,697	345,000	1,432,697	112,997	30,000	142,997	11.09
LT&B	62,139	460,000	522,139	2,220	158,844	161,064	(57,252)	358,297	301,045	(119,391)	(101,703)	(221,094)	(42.4)
Design and Print People	213,700	(38,000)	175,700	161,964	33,950	195,914	217,637	(38,000)	179,637	3,937	0	3,937	2.24
The Procurement People	257,200	203,000	460,200	143,961	152,932	296,893	246,567	192,367	438,934	(10,633)	(10,633)	(21,266)	(4.62)
NLBC	6,922,339	7,173,000	14,095,339	5,466,359	4,171,543	9,637,902	7,127,193	7,236,422	14,363,615	204,854	63,422	268,276	1.90

**Exceptions:**

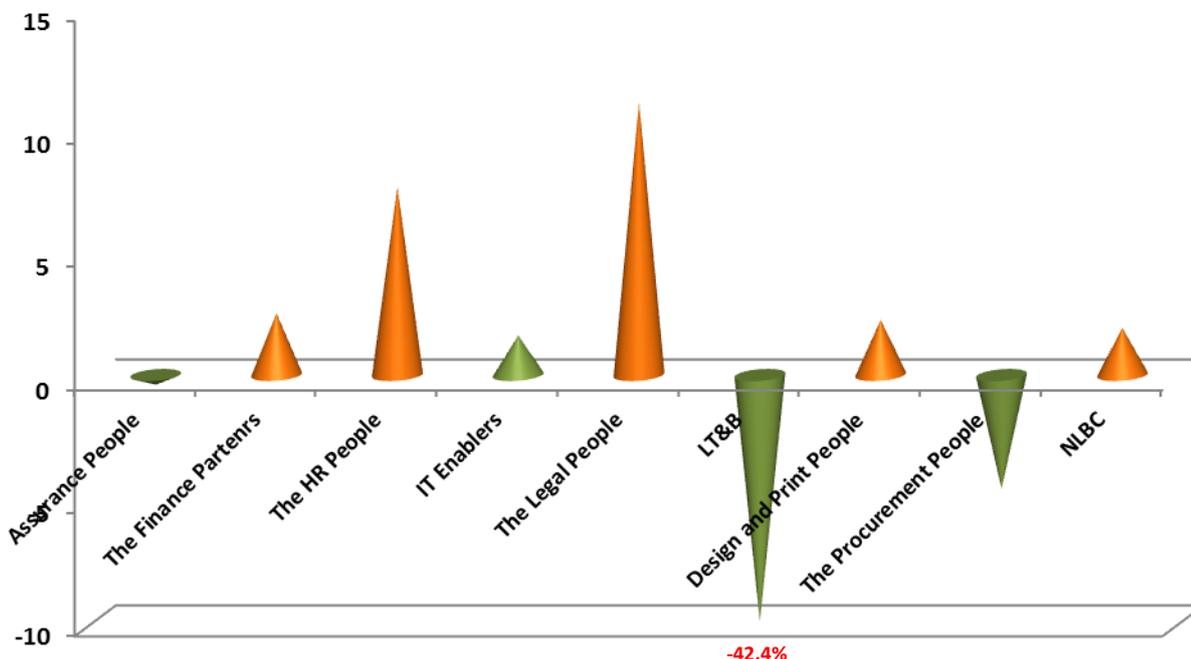
**The Finance Partners:** The 5% vacancy factor is not currently being achieved.

**The Legal People:** NELC forecast overspend from legal expenses around child care and staffing pressures. NLC overspend mainly from staffing cost pressures.

**The HR People:** HR Services are predicting overspends primarily through income shortfalls and staffing cost pressures.

The Finance Partners: The 5% vacancy factor is not currently being achieved.

**Local Taxation & Benefits:** Additional income through court costs and external grants. Also, some staffing savings.



## Section 5: Quarter 3 Focus

The following is a list of the areas that North Lincolnshire Business Connect will be focusing on, during quarter 4 of 2016-17

### THE PROCUREMENT PEOPLE

- Development and launch of Procurement E-Learning and Self-Service Packages
- Development and launch of the revised Procurement Strategy
- Pilot the balance score card with NL construction framework
- Further develop and launch category plans

### IT ENABLERS

- Completion of the NHS IG Self Assessments for both councils by 31 March 2017
- Phase 2 mobile phone project for North Lincs Council (550+ devices)
- Commence contract review process to build a full picture of ICT contracts in place and end dates
- Introduction of business partner dedicated to operational issues
- Scoping of NEL mobile phone replacement project
- Develop ICT contribution to Civica 360 roll out

### LOCAL TAXATION & BENEFITS

- Options for the Council Tax Reduction scheme moving into 18/19.
- Maintaining service delivery within the budget envelope.
- Annual billing for both councils incorporating legislative changes for Business Rates as well as local changes
- Commence review of Civica EDRMS for Taxation & Benefits at NLC with a view to streamlining processing so they can be mirrored at NELC when the Civica EDRMS system is expanded to cover both councils.
- Review of Capita contact for print post with a view to further streamlining.
- Introduction of scanning direct into Civica EDRMS by Local Link staff to replace photocopying documents and shipping via courier service (NLC only).

### The Design & Print People

- Quick Print Implementation Soft launch at NELC Municipal Offices
- Digital Colour Production equipment evaluation and replacement
- Investigate opportunities to widen the range of services offered externally
- MFD Fleet Rationalisation Project via Quick Print Project

### THE HR PEOPLE

- Finalise set up, implement and roll out Monthly Occupational Health and Safety Reports for North Lincolnshire Council to improve information, communications and awareness across the Council.
- Finalise and submit RoSPA Award submission for Occupational Health and Safety Management at NELC
- Publish tender and undertake evaluation of bids for single integrated HR & Payroll System - Award Feb/March 2017
- Implement revised procedures including rules of conduct, declaration of interest and managing attendance at North East Lincolnshire Council. Prepare to launch resolution procedure.
- Pilot and launch faster input of overtime for managers via i-trent at North East Lincolnshire Council.
- Ongoing developments to support culture shift, evaluation of employee performance management framework, planning for introduction of apprenticeship levy and associated skills gap analysis, procurement of OD partner

### THE ASSURANCE PEOPLE

- Refinement of the review process in relation to single discounts
- Defining process with HR and providing awareness training to HR practitioners to ensure appropriate internal allegations of fraud/financial misconduct are reported to audit/fraud at the appropriate times
- Updating the risk frameworks at both Councils
- Carrying out the procurement process for a joint risk register
- Completing the tender for a single broker to serve both councils
- Completing the 2017/18 internal audit plan for both councils using a common approach

### THE FINANCE PARTNERS

- Conclusion of the budget process at both councils culminating in presentation of budget reports for Council approval.
- Preparing closure of accounts process at both councils. Including timetables and alignment of processes.
- Implementation of Business Partnering Strategy at NLC to increase Financial Management capacity across the council