

Shared Services Programme

Why consider Shared Services?

There are numerous drivers identified that suggest why any organisation goes down a Shared Services route but these can be defined into the following basic themes:

Customer -

- understanding that support services, although vital, are the supplier to the delivery customer who must drive requirements

Quality -

- understanding that quality must be exceptional to create efficiency in delivery

Efficiency -

- establishing clear a baseline and realising cashable and non-cashable benefits

The Shared Services agenda is not just about technology or business processes (though these are included) but is mainly focussed on changing and challenging:

- people's thinking,
- accepted approaches to service delivery,
- the organisation's approach to its customers (internal and external), and
- creating a culture in which change and continual improvement are accepted as the norm.

What do we mean by shared services?

Shared Services are, therefore, one method in which councils can address the service delivery and cost pressures they are facing. The overall aim is to free up staff time to do the front line delivery job they were employed to do whilst transforming the services that customers receive and how these are delivered. The change needs to be recognised by the customers who receive it and the staff who deliver it.

The Local Government National Shared Services Board (NSSB) was established in 2006 to oversee the use of the Efficiency and Reform Fund to support developments in shared services and shared capacity within local government. The NSSB has members from COSLA, Scottish Government, SOLACE, the Improvement Service and CIPFA.

During 2007 the Board focussed on five themes, and a small number of high impact collaborative projects intended to deliver

better, more consistent services, and long term financial savings across local government.

As shared services can mean different things to different people, the National Shared Services Board (NSSB) is currently exploring a number of models. Some of these models enable distributed efficiencies, where organisations can share and maximise economies of scale by simplifying and standardising processes upon a common infrastructure without moving the physical delivery of services.

- Shared Capacity
 - Scotland Excel
 - Workforce Planning
 - Recruitment Portal
 - Public Notices
- Cross Public Sector Projects
 - Orkney
- Shared Support Services
 - Glasgow and Edinburgh Pathfinders
 - Five councils

In the 2007/8 financial year over £12 million of new Scottish Government funding has been released by NSSB and all 32 councils have been direct beneficiaries.

Shared Workforce Management and Planning

One of the NSSB National themes is Shared Workforce Planning which seeks to position Scottish local government as an employer of choice.

The **Shared Workforce Management and Planning** project will put in place the ability to effectively plan to deliver the right workforce to meet future service needs across local government in Scotland. This project is being led by COSLA and involves SOLACE, the Society of Personnel Directors in Scotland (SPDS) and the Improvement Service. COSLA leaders have now agreed to commence a phase which will marshal existing labour market data, working with councils to define, collect and analyse national demographic data. The aim is to identify resourcing and skills trends which can be addressed by councils or used to promote local government requirements within universities, colleges and skills councils.

Eight Clyde Valley local authorities are working together to establish more efficient and high

The Diagnostic Pathway



quality training and development in local government. **The Learning and Development** project, led by South Lanarkshire Council, will generate significant cash savings as well as being a pathfinder for wider national adoption.

Local government organisations already have difficulties in recruiting key skills - this will be exacerbated by the age profile of the current workforce, changing business needs and an increasingly competitive market. Work undertaken across the Scottish public sector in 2006 identified a key opportunity for efficiency gains and service improvements within recruitment advertising. The Improvement Service, working with local authorities and endorsed by COSLA leaders, is developing a **shared electronic recruitment portal** to

- improve the impact of advertising spend on recruitment,
- reach a larger potential employee pool,
- improve its image as an employer of choice,
- become more effective in recruiting the right staff and
- improve the efficiency of the recruitment process.

The Improvement Service is working with SPDS, COSLA and SOLACE to ensure that these objectives are met.

Diagnostic Pathway Programme

The Glasgow and Edinburgh Pathfinder projects have demonstrated that significant benefits could be generated over the next few years through a national approach based on customer focussed, simplified and standardised processes. They, and their early adopters (Borders and Fife in particular), have worked with the Improvement Service to develop the single model and the Diagnostic Pathway Toolkit. Outputs from other pathfinders, including the multi-agency shared service project, national and international projects have also been used. In the light of this the NSSB recommended that all councils should be given the opportunity to adopt the Diagnostic approach that has been developed. The

Further information

The details of Shared Services projects are being updated and information on the Improvement Service website will be significantly upgraded over the next few months. For further information please contact Paul Dowie Tel: 01506 775558. Email: paul.dowie@improvementservice.org.uk www.improvementservice.org.uk

Scottish Government supported the approach and approved funding in October 2007.

The Diagnostic Pathway Approach

The Diagnostic Pathway is designed to help councils:

- analyse how delivery is supported across their organisation
- compare support effectiveness across all services
- validate and identify opportunities for improvement and change
- underpin decisions for a clear improvement process
- provide evidence to inform future investment in service delivery

The Diagnostic Pathway will help councils collect the evidence across the organisation which can be used to identify opportunities and agree strategic priorities. This will help every council to understand what simplify, standardise and sharing means for them in practice over the next three years.

Support from the Improvement Service

The Improvement Service Diagnostic Pathway Team provides support to all councils undertaking the Diagnostic by way of regular monthly meetings to provide guidance and quality assurance. Monthly events are also held to allow Project Managers to share learning and knowledge amongst themselves. Dedicated training and support sessions are scheduled as required following feedback and input from the participating councils.

An online toolkit of materials and guidance has been made available for all staff participating in the Diagnostic projects. The Toolkit is a set of templates and guidance materials, which will assist in completion of the deliverables detailed within the Diagnostic programme. The toolkit is available online with all materials being downloadable for local use. These have enabled councils to significantly reduce the use of external consultants and to develop staff within councils.